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1971-1972 GOVERNOR'S BUDGET SUMMARY

Ronald Reagan, Governor, State of California





STATE OF CALIFORNIA

GOVERNOR'S BUDGET SUMMARY

1971-1972

Submitted by
RONALD REAGAN
Governor

to the
CALIFORNIA LEGISLATURE
1971 Regular Session

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RONALD REAGAN
GOVERNOR

State of California

GOVERNOR'S OFFICE
SACRAMENTO 95814

February 2, 1971

Budget Message

To the Members of the Legislature of California:

One year ago in my annual budget message, I called attention to the ever increasing amount of taxpayer money going into welfare and Medi-Cal. That trend has not only continued, but accelerated. In June, 1970, it was necessary to advise the Legislature that projected expenditures for these combined programs had already escalated \$65 million above initial expectations, before the fiscal year had commenced.

In November, 1970, it was apparent that even the enlarged June estimates were too low. Severe program deferments and curtailments were necessary to prevent extreme fiscal imbalance. This situation not only is being duplicated in nearly every state in the Union, but the problem has reached crisis stage in countless counties, and at the federal level the programs have been described as a "mess".

Something must be done, and done immediately.

I am presenting to you a budget which projects welfare expenditures for the fiscal year at below the current level.

Without prompt and affirmative action on all our parts, the inevitable choice lies between huge tax increases every year, and the complete elimination of countless worthwhile services our citizens have a right to expect from state and local government. We can take the easy path toward ruinous and confiscatory taxation, or we can elect the more difficult alternative of bringing the programs under control.

I have stressed countless times and will repeat again that we are not endeavoring to deprive the truly needy of the shelter, food and clothing necessary to sustain them through their temporary hardship. But we are firm in our resolve to strike from the welfare rolls those individuals and families who are employed, who are paid a living wage, and who find their ways to taxpayer generosity only because of the manner in which some of the laws are written. In order that the truly needy may have enough, we must rewrite our laws to eliminate those who are less than needy.

The budget which I am presenting can be balanced without any other legislation than that contained in the budget bill. However, I believe there is a better course which will more clearly reflect the generosity of the average Californian. This can be accomplished by sweeping welfare and Medi-Cal reform legislation. Shortly after this budget is placed in your hands, I will suggest specific programs to accomplish this goal.

There are a number of other areas in this budget worthy of special comment, and I shall set them forth.

Higher Education

For four years we have afforded higher education one of the highest priorities in our budgets. Total dollars available for higher education in the year I became Governor approximated \$415 million. In the current year it will exceed \$668 million. This 60% increase has outstripped the increase in enrollments and has also enabled higher education to keep abreast of rising inflationary costs.

Educational institutions traditionally submit budget requests which reflect many things they would like to do. It is a tribute to our educators that they express their goals and aspirations as definite requests. However, in a time of acute revenue shortage, there is a great deal which education can do to economize; steps which have not been taken within the past four years. I hasten to add that this is not a condition unique to California. Public and private universities and colleges across the nation are tightening their belts.

I am recommending that the budget for the University be held at current levels and the State Colleges increased approximately \$6 million. Both units are planning on enrollment increases.

It has long been considered customary that professors in the State College system teach twelve classroom hours per week and that those in the University teach nine. During the affluent decades of the 50's and 60's, it became common practice to recruit faculty by offering substantially reduced teaching loads in favor of research and other activities. Our studies of both the University and Colleges have shown clearly that the average teach-

ing load has dropped substantially below the norms which California citizens have grown to expect. In addition, the acute shortage of faculty which to some degree prompted the reduction in teaching load as a recruiting device has now ended. In fact, the pendulum has swung the other way and we have substantial numbers of potential professors who are unable to find employment.

In view of these circumstances, it would be grossly unfair to all other areas of state government not to expect higher education to accept its full share of the burden. We are confident that the budget we are proposing, despite enrollment increases and inflation, will permit both major segments of higher education to meet California's education needs in exemplary fashion. The budget will require an increased teaching load on the part of faculty in both segments, but it still will not bring the average teaching load above those standards which have been considered the norm. With proper administration, it will be quite possible to admit all qualified California applicants within the monies made available herein.

Local School Apportionments

The money allocated for local schools is very largely determined by statutory formulas. Last year the Legislature and the Executive Branch, working cooperatively, were able to increase the amount available for local schools by \$88 million. Technically, this was a one-year increase only and it was not necessary to place it in the budget for the coming year. Despite the State's serious financial problems, I have made sure that this substantial increase in funds is carried forward.

Salaries

We have a dedicated and effective group of civil servants. As California has grown and progressed, the numbers of such employees have correspondingly increased, and their efforts have been rewarded with substantial pay increases. During my first four years, for example, the employees received pay increases which totaled 20%. In addition, nearly half of our employees receive each year a merit salary increase of 5%, a condition which will continue during the budget year.

For the past ten years, pay increases have averaged about 5% each year, a total which exceeds the cost of living rise during the same period.

The Personnel Board did not recommend a general pay increase this year, but did suggest areas in which specific classes of employees might be raised. Just as in any family, there are years in which it is simply not possible to do all that might be desired. With unemployment much higher than we would like

and thousands of Californians vigorously seeking employment, many of them anxious to work at any job at any living wage, our state revenues are down.

Therefore, it is not possible to include a pay raise for employees in this budget. We are, however, suggesting a package of benefits which employees have consistently requested. These include unemployment insurance, a differential of night pay, and a differential for overtime work, all of which are funded in the budget. In addition, as promised last year, we are recommending the funding of an additional \$2 per employee per month as the State's share of health insurance, bringing the total per employee to \$12 per month.

Capital Outlay

California's capital outlay needs have traditionally been met through a combination of bond funds and some incremental additions in the annual budget. Recently, the Regents of the University have increased educational fees and for the coming year plan to apply these monies to capital projects.

If the Legislature grants the request of the Trustees of the State Colleges to increase fees, it is highly probable some portion would be earmarked for building.

Currently California's bonds are selling well and highly desired water treatment facilities, recreational improvements around reservoirs, community college enlargements, as well as some park projects and funds for veterans loans, should be successfully financed by this means.

California faces grave financial problems. As I indicated in my State of the State message, their proper solution can only come about through the cooperative efforts of the Legislative and Executive branches. California's citizens will be looking to us in the months ahead.

With this pledge of cooperation in mind, I transmit to you the Budget for the State of California for the fiscal year commencing July 1, 1971 and ending June 30, 1972.


Governor

DEPARTMENT OF FINANCE

SACRAMENTO



OFFICE OF THE DIRECTOR

Letter of Transmittal

Governor Reagan:

Without doubt each Finance Director feels that the budget he is just completing for transmittal to the Governor represents the most difficult budget in the State's history. Certainly that feeling was held by many in the Department of Finance this year.

At the outset it was apparent that requests for expenditures were pyramiding far beyond available revenues. All segments of government were cautioned about the need for extreme economy. Budgets were scrutinized carefully at many levels prior to their presentation to you.

I cannot recall any segment of state government which did not realize the fiscal problems which confront us, nor any segment which did not cooperatively seek to hold down expenditures. Of course, all budgets represent compromise and this is no exception. There are numerous areas of government that would still prefer to see their individual allocations increased, even at the expense of some other area. This is entirely normal and represents the need which any individual operating unit can see, sometimes without a broad comprehension of similar needs or even more urgent problems that may exist elsewhere.

The current year's budget is a large and unwieldy volume, difficult to carry and confusing to use. We have, therefore, revised and streamlined the format in an effort to make it more useful, especially for those members of legislative committees who need to refer to it so frequently.

In accordance with Article IV, Section 12 of the State Constitution, I have the honor to submit to you the Budget of the State of California for the fiscal year commencing July 1, 1971 and ending June 30, 1972.

A handwritten signature in black ink, reading "Verne Orr", with a long, sweeping underline that extends to the right.

VERNE ORR
Director of Finance

February 2, 1971



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Schedule 1
GENERAL BUDGET SUMMARY ¹

General Fund

	<i>Reference to schedule</i>	<i>Actual 1969-70</i>	<i>Estimated 1970-71</i>	<i>Estimated 1971-72</i>
PRIOR YEAR BALANCES AVAILABLE ²				
Reserve for Unencumbered Balances of Continuing Appropriations -----	4	\$85,011,374	\$130,023,090	\$11,818,314
Surplus Available for Appropriation -----	4	553,631,342	383,022,049	223,822,694
Total Prior Year Balances Available -----	4	\$638,642,716	\$513,045,139	\$235,641,008
CURRENT INCOME (Revenues and Transfers) ³ -----	2	4,330,484,477	4,613,091,617	5,039,129,972
Total Available -----		\$4,969,127,193	\$5,126,136,756	\$5,274,770,980
EXPENDITURES AND CONTINUING APPROPRIATIONS				
State Operations -----	3	\$1,315,000,916	\$1,390,426,208	\$1,410,731,769
Local Assistance -----	3	3,046,458,102	3,422,526,619	3,454,717,515
Capital Outlay -----	3	94,623,036	77,542,921	9,987,000
Total Expenditures ⁴ -----	3	\$4,456,082,054	\$4,890,495,748	\$4,875,436,284
Reserve for Unencumbered Balances of Continuing Appropriations -----	4	130,023,090	11,818,314	59,900
Total Expenditures and Continuing Appropriations -----		\$4,586,105,144	\$4,902,314,062	\$4,875,496,184
SURPLUS AVAILABLE FOR APPROPRIATION -----	4	\$383,022,049	\$223,822,694	\$399,274,796
Reserve for Working Capital ⁵ -----	4	238,242,091	348,254,000	397,318,000
Unrestricted Surplus -----	4	144,779,958	-124,431,306	1,956,796

Special Funds

PRIOR YEAR BALANCES AVAILABLE				
Reserve for Unencumbered Balances of Continuing Appropriations -----	4	\$61,259,155	\$196,845,931	\$166,721,592
Surplus Available for Appropriation -----	4	301,971,588	59,798,864	118,686,714
Total Prior Year Balances Available -----	4	\$363,230,743	\$256,644,795	\$285,408,306
CURRENT INCOME (Revenues and Transfers) -----	2	1,412,272,087	1,431,721,431	1,497,724,421
Total Available -----		\$1,775,502,830	\$1,688,366,226	\$1,783,132,727
EXPENDITURES AND CONTINUING APPROPRIATIONS				
State Operations -----	3	\$345,630,549	\$395,170,184	\$407,439,002
Local Assistance -----	3	650,839,715	699,429,938	737,168,471
Capital Outlay -----	3	522,368,989	308,357,798	350,047,917
Total Expenditures -----	3	\$1,518,839,253	\$1,402,957,920	\$1,494,655,390
Reserve for Unencumbered Balances of Continuing Appropriations -----	4	196,845,931	166,721,592	171,806,856
Total Expenditures and Continuing Appropriations -----		\$1,715,685,184	\$1,569,679,512	\$1,666,462,246
Transfer to Nongovernmental Cost Fund ⁶ -----	4	-18,782	-	-
SURPLUS AVAILABLE FOR APPROPRIATION -----	4	\$59,798,864	\$118,686,714	\$116,670,481

¹ The General Budget Summary includes the revenues and expenditures of all state funds and activities that reflect the cost of state government. The transactions involving bond funds, federal funds, and other nongovernmental cost funds are excluded.

² Yearend surplus and reserves reported by the State Controller for the 1968-69 fiscal year were \$622,157,306. Additional prior year adjustments of \$16,485,410 have increased that total to \$638,642,716.

³ Income for the General Fund includes revenues which were originally deposited in a special fund and subsequently transferred to the General Fund, and transfers of surplus from special funds. Such amounts are reduced from special fund revenues.

⁴ Expenditures from the General Fund includes amounts transferred to special funds and expenditures from special funds are reduced by a like amount.

⁵ Chapter 574, Statutes of 1970, requires the State Controller to reduce the Surplus Available for Appropriation by a Reserve for Working Capital beginning with the 1969-70 fiscal year. This reserve, in effect, limits the unrestricted surplus to the actual cash balance at the end of the fiscal year. Although not required by statute, this reserve is projected for the current and budget year on the same principle. Prior to the 1969-70 fiscal year there was no statutory authority for a Reserve for Working Capital and the State Controller reported only Surplus Available for Appropriation.

⁶ Chapter 1249, Statutes of 1969, abolished the Yacht and Ship Brokers Fund and transferred to the balance to the Harbors and Watercraft Revolving Fund—a nongovernmental cost fund.

Schedule 1-A

GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION JUNE 30, 1971

RECONCILIATION OF THE CHANGES FROM THE PREVIOUS BUDGET ESTIMATES

	<i>1970-71 Governor's Budget Previous Estimate</i>	<i>1971-72 Governor's Budget Revised Estimate</i>	<i>Adjustment of Surplus</i>
1969-70 Fiscal Year			
Income -----	\$4,342,267,442	\$4,330,484,477	-\$11,782,965
Outgo:			
State operations -----	1,338,515,630	1,315,000,916	23,514,714
Local assistance -----	3,096,162,748	3,046,458,102	49,704,646
Capital outlay -----	181,451,371	94,623,036	86,828,335
Expenditures -----	\$4,616,129,749	\$4,456,082,054	\$160,047,695
Prior Year Surplus Adjustments -----	-	\$16,485,410	\$16,485,410
1970-71 Fiscal Year			
Income -----	\$4,706,993,231	\$4,613,091,617	-\$93,901,614
Outgo:			
State operations -----	1,431,962,071	1,390,426,208	41,535,863
Local assistance -----	3,317,210,605	3,422,526,619	-105,316,014
Capital outlay -----	47,715,901	77,542,921	-29,827,020
Expenditures -----	\$4,796,888,577	\$4,890,495,748	-\$93,607,171
Reserve for unencumbered balances of continuing appropriations --	\$2,002,812	\$11,818,314	-\$9,815,502
Reserve for working capital -----	\$228,000,000	\$348,254,000	-\$120,254,000
EFFECT OF REVISED ESTIMATES AS REPORTED IN THE 1971-72 GOVERNOR'S BUDGET -----			-\$152,828,147
GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION, June 30, 1971 as estimated in the 1970-71 budget -----			\$28,396,841
GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION, June 30, 1971 as estimated in the 1971-72 budget -----			-\$124,431,306

Schedule 1-B

GENERAL FUND

STATEMENT OF FINANCIAL CONDITION ^a

June 30, 1970

ASSETS		LIABILITIES	
Cash		Accounts Payable	
In State Treasury	\$64,340,458	State Operations	\$86,464,062
In Agency Accounts	35,304,131	Local Assistance	124,659,067
Total	\$99,644,589	Capital Outlay	6,032,985
		Total	\$217,176,714
Accounts Receivable—Current		Due to Other Funds	\$1,548,416
Abatements and Reimbursements	\$79,171,080	Prepayments from Other Funds	3,849,106
Revenue	415,627,747	Other Liabilities	10,157,049
Temporary Loans to Other Funds	80,439,500	Total Liabilities	\$232,731,285
Due from Other Funds	22,608,897		
Due from Local Government	251,350		
Other Current Accounts Receivable	3,241,109		
Total	\$601,339,683		
Accounts Receivable—Deferred		RESERVES	
Revenue	\$116,803,520	Uncleared Collections	\$2,538,389
Due from Other Funds	7,020,030	Other Reserves	606
Interfund Building Loans	9,996,571	Reserve for Working Capital	238,242,091
Due from Local Governments	2,955,590	Unencumbered Balance of Continuing Appropriations	130,023,090
Other Deferred Accounts Receivable	9,925,751	Total Reserves	\$370,804,176
Total	\$146,701,392		
Less: Reserve for Deferred Accounts Receivable	-146,701,392		
Deferred Charges		SURPLUS	
Advances to Counties for Social Welfare	\$43,914,951	Unrestricted Surplus	\$144,779,958
Prepayment to Other Funds	2,321,836	TOTAL LIABILITIES, RESERVES AND SURPLUS	\$748,315,419
Other Deferred Charges	1,094,360	State's Investment in Capital Outlay	\$1,519,440,358
Total	\$47,331,147	General Obligations	\$4,701,026,000
TOTAL OPERATING ASSETS	\$748,315,419	Less: Self-Liquidating Bonds	2,385,961,000
General Fund Assets		Net General Bonded Debt	\$2,315,065,000
Land, Improvements, and Equipment	\$1,519,440,358	Interest Payable in Future Years	848,068,582
Amount to be Provided for Retirement of Long-Term Obligations		Net Total Long-Term Obligations	\$3,163,133,582
Amount to be Provided from Future Revenue and Special Districts	3,163,133,582		
Total Amount to be Provided	\$3,163,133,582		

^a The data that appears in this statement appears in the report of the State Controller for the year ended on June 30, 1970.

THE EXPENDITURE DOLLAR 1971-72

CALIFORNIA STATE BUDGET

TOTAL

GENERAL FUND

11.1	BUSINESS and TRANSPORTATION	.3
1.3	AGRICULTURE and SERVICES	1.1
29.0	HUMAN RELATIONS	37.8
1.8	RESOURCES	1.7
24.8	EDUCATION	31.0
12.0	HIGHER EDUCATION	16.0
10.9	SHARED REVENUE	-
5.0	PROPERTY TAX RELIEF	6.6
4.6	OTHER	5.5
100.0 %		100.0 %

THE REVENUE DOLLAR 1971-72

CALIFORNIA STATE BUDGET

TOTAL

GENERAL FUND

3.1 INHERITANCE and GIFT TAXES 4.0

23.1 PERSONAL INCOME TAX 30.0

1.1 HORSERACING FEES 1.2

16.0 HIGHWAY USER TAX -

2.7 INSURANCE TAX 3.4

9.4 BANK and CORPORATION TAX 12.2

2.0 LIQUOR TAXES and FEES 2.3

3.8 CIGARETTE TAX 3.4

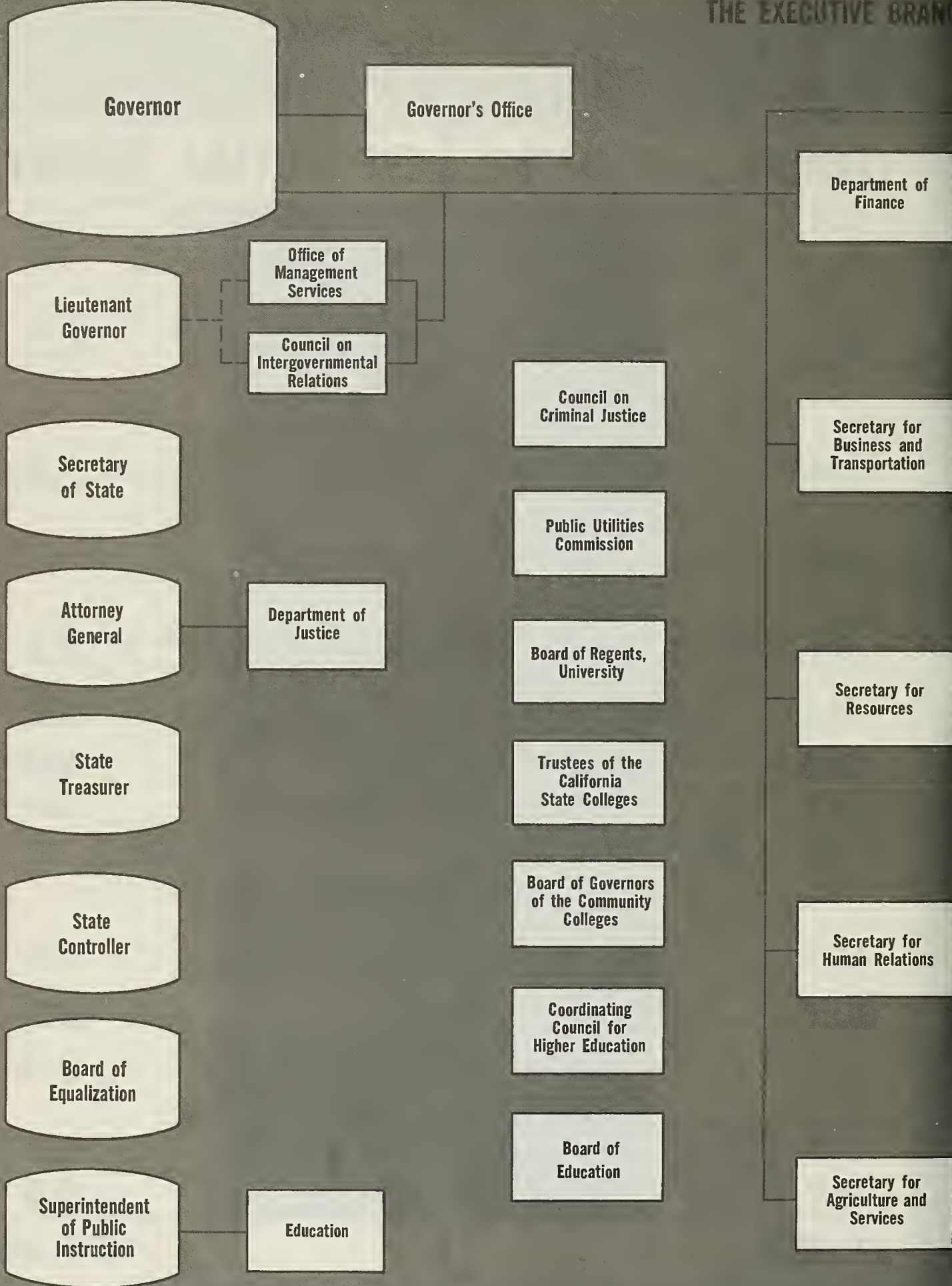
4.0 MOTOR VEHICLE LICENSE FEES -

30.1 SALES TAX 39.7

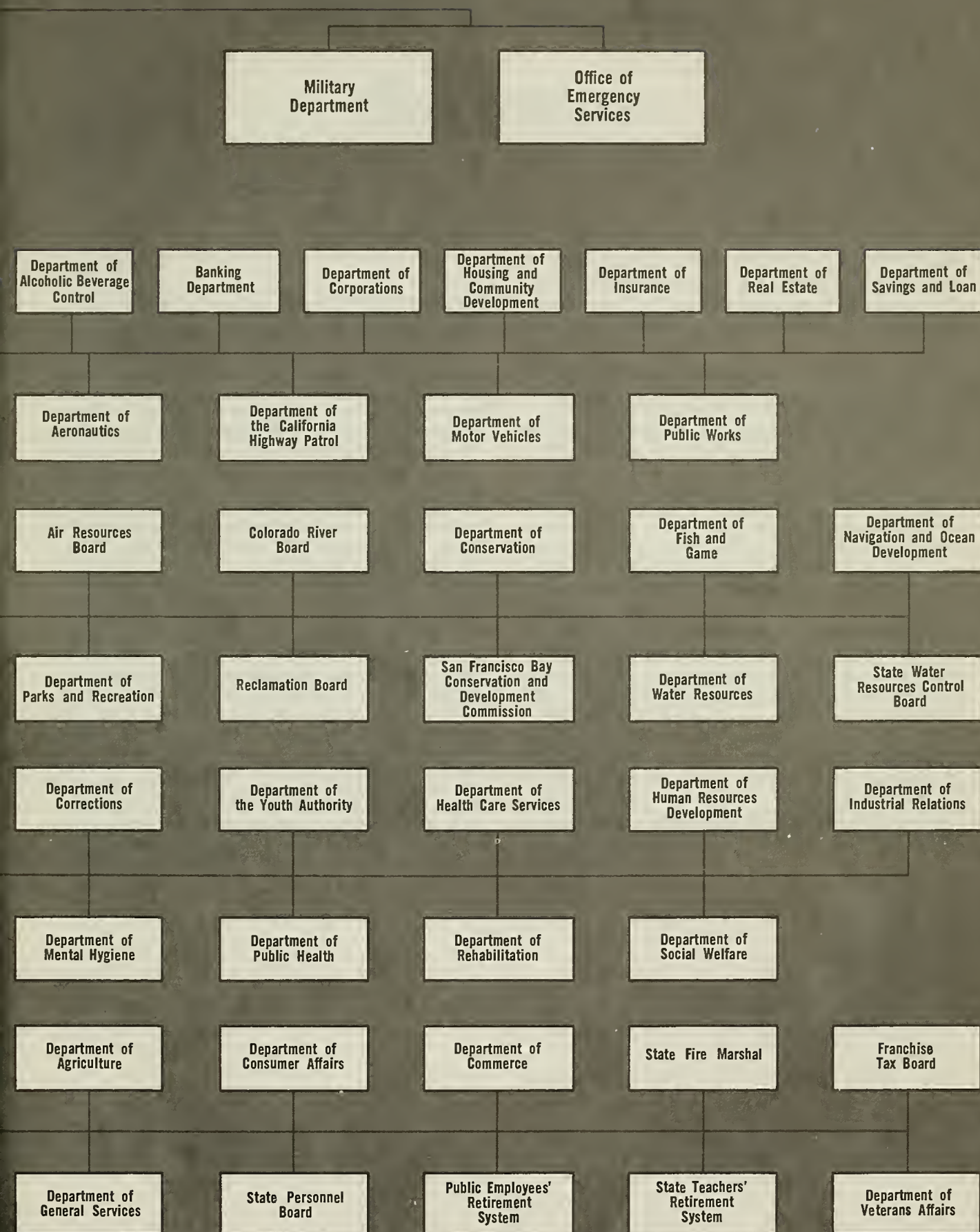
4.7 OTHER 3.8

100.0 %

100.0 %



CALIFORNIA STATE GOVERNMENT



1971-72 Program Expenditures

Format Changes

The traditional budget format has been revised this year in order to present the Governor's Budget in a more consolidated approach and at the same time facilitate its use. The total budget consists of a Governor's Budget and four supplements. The Governor's Budget presents proposed departmental expenditures including capital outlay in a summary format and presents appropriation items by budget bill item number and amount. The entire budget and the budget bill are organized by agency and share the same sequence with the exception of capital outlay which by law must be appropriated by a separate section of the budget bill. Each departmental budget contains a summary of program requirements and a synopsis of workload and administrative changes, as well as a summary by object for the state operations and local assistance portions. Proposed capital outlay expenditures are summarized at the end of each departmental budget.

The four budget supplements are organized by agency and present the complete program budget, capital outlay, salaries and wages detail, and changes in authorized positions documents for each department in the same supplement. In this way all detail related to a department or program is contained in one series of pages in one book to facilitate the consideration of the entire program. Volume I contains the budgets for the general government area and the Agriculture and Services Agency. Volume II contains the Business and Transportation and Resources Agencies. Volume III contains the Human Relations Agency and Volume IV the education area budgets.

This new format should greatly help in the analysis of the budget. The inclusion of the budget bill item number in the Governor's Budget will simplify the reference process between the budget, the budget bill, and the budget analysis.

Allocation Technique Used in Budget Decisions

In this budget, as in the previous budget, the expenditure program was subjected to a stringent review covering the programs themselves and the level of expenditures within programs. Departments were requested to develop budgets at the current year level and further to review each program for potential reductions and to then array the possible reductions by priority. Those departments who felt that they had a need for program augmentations in the budget year were asked to detail the augmentations and rank them by priority also.

Each agency secretary and the director of finance, for those departments which do not come under an agency, then reviewed the departmental budgets in their areas and confirmed the priority items and their designations. The composite evaluation and decisions were then made by the cabinet.

This process served to enforce the reevaluation by each department of all programs under its direction, and to consider each part in comparison to the whole, and propose an allocation of scarce resources in such a manner as to gain the greatest progress toward their overall goal.

TABLE 1
EXPENDITURES BY CHARACTER AND SOURCE OF FUNDING
(IN MILLIONS)

	<i>Actual 1969-70</i>	<i>Estimated 1970-71</i>	<i>Proposed 1971-72</i>	<i>Change from 1970-71 Amount Percent</i>	
State Operations:					
General Fund -----	\$1,315	\$1,390.5	\$1,410.8	\$20.3	1.5
Special funds -----	345.6	395.1	407.4	12.3	3.1
Totals, Governmental Cost Funds -----	\$1,660.6	\$1,785.6	\$1,818.2	\$32.6	1.8
Bond funds -----	-	(0.8)	(1.6)	(0.8)	(100.0)
Local Assistance:					
General Fund -----	\$3,046.5	\$3,422.5	\$3,454.7	\$32.2	0.9
Special funds -----	650.8	699.4	737.2	37.8	5.4
Totals, Governmental Cost Funds -----	\$3,697.3	\$4,121.9	\$4,191.9	\$70	1.7
Bond funds -----	(5.4)	(10.5)	(51.1)	(40.6)	(386.7)
Capital Outlay:					
General Fund -----	\$94.6	\$77.5	\$9.9	-\$67.6	-87.2
Special funds -----	522.4	308.4	350.1	41.7	13.6
Totals, Governmental Cost Funds -----	\$617	\$385.9	\$360	-\$25.9	-6.7
Bond funds -----	(321.5)	(409.5)	(315.9)	(-93.6)	(-22.8)
TOTALS:					
General Fund -----	\$4,456.1	\$4,890.5	\$4,875.4	-\$15.1	-0.3
Special funds -----	1,518.8	1,402.9	1,494.7	91.8	6.5
Totals, Governmental Cost Funds -----	\$5,974.9	\$6,293.4	\$6,370.1	\$76.7	1.2
Bond funds -----	(326.9)	(420.8)	(368.6)	(-52.2)	(-12.4)
GRAND TOTALS, ALL FUNDS -----	\$6,301.8	\$6,714.2	\$6,738.7	\$24.5	0.4

TABLE 2
PERSONNEL MAN-YEARS AND SALARY COST ESTIMATES

FUNCTION	<i>1969-70 fiscal year</i>		<i>1970-71 fiscal year</i>		<i>1971-72 fiscal year</i>	
	<i>Personnel man-years</i>	<i>Cost</i>	<i>Personnel man-years</i>	<i>Cost</i>	<i>Personnel man-years</i>	<i>Cost</i>
General Government:						
Legislative -----	243.3	\$3,486,216	255.9	\$3,914,266	253.8	\$4,137,006
Judicial * -----	723.2	14,467,350	783.8	16,428,863	789.8	17,200,058
Executive -----	245.3	3,129,742	299.1	3,734,271	301.2	3,926,766
General Administration -----	6,140.9	62,685,363	6,287.8	67,444,831	6,325.5	68,959,698
Miscellaneous -----	33.9	310,583	40.8	368,552	43.6	426,056
Unallocated -----	-	-	-	-	-	11,077,000
Subtotals, General Government -----	7,386.6	\$84,079,254	7,667.4	\$91,890,783	7,713.9	\$105,726,584
Agriculture and Services -----	10,291.7	92,781,128	10,587.3	99,284,138	10,031.7	94,824,415
Business and Transportation -----	34,042.8	328,279,003	34,777.4	352,333,150	35,068.3	355,852,904
Resources -----	11,227.1	110,182,922	11,020.2	114,554,639	10,240.5	108,811,432
Human Relations -----	47,390.4	438,741,034	48,378.6	474,374,096	46,823.9	468,072,569
Education:						
Education -----	2,181.1	21,387,299	2,380	24,350,138	2,387	25,093,438
Higher Education -----	67,063.6	661,886,508	70,253.7	723,260,122	70,271.2	742,668,131
Totals -----	179,583.3	\$1,737,337,148	185,064.6	\$1,880,047,066	182,536.5	\$1,901,049,473
CLASSIFICATION						
Statutory -----	327.5	\$7,870,747	333.6	\$8,558,139	329.8	\$8,761,647
Exempt * -----	1,228.6	20,080,422	1,281.4	22,291,380	1,286.9	24,081,120
Civil Service -----	111,178.7	1,049,792,156	113,474.2	1,128,992,963	110,926.3	1,128,689,615
University of California -----	39,215	377,745,580	39,995.6	405,039,099	40,090.9	413,983,671
Auxiliary facilities, University of California -----	1,860.3	10,300,481	1,875.6	10,392,700	1,913.6	10,603,258
Hastings College of Law -----	77	1,112,585	106.7	1,492,011	112.7	1,601,567
State colleges and trustees -----	25,111.7	267,431,627	27,323	299,782,568	27,165.7	309,623,169
Other state college facilities -----	584.5	3,003,550	674.5	3,498,206	710.6	3,705,426
Totals -----	179,583.3	\$1,737,337,148	185,064.6	\$1,880,047,066	182,536.5	\$1,901,049,473

* Includes superior court judges' salary and man-year data.



General Government

Under this heading are programs not related to an agency. These include the constitutional officers and boards, and various other boards, commissions and departments. Also included under this heading are the judicial and legislative branches of government.

Tax Relief

The establishment of a program to provide property tax relief has been and continues to be a major concern of this administration. The first steps in establishing a program began in 1967 with the Senior Citizens' Property Tax Relief program. Homeowners' Property Tax Relief and Personal Property Tax Relief were added in 1968. The Personal Property Tax Relief program was increased in 1969.

These programs represent a broad-based effort with the objective of providing meaningful property tax relief. Expenditures, in terms of both direct payments to individuals and payments to local jurisdictions to replace tax loss, will total approximately \$343.8 million for the 1971-72 fiscal year. This represents an increase of approximately \$27 million over the current year.

Modifications to the Property Tax Relief program will be considered in the 1971 legislative session.

The following is a short discussion of each of the property tax relief programs:

Senior Citizens' Property Tax Relief

Chapter 930, Statutes of 1967, established the first step in providing property tax relief. This program provides direct payment of property tax refunds to senior citizens with limited incomes. Expenditures for this program are estimated to be \$10 million for the 1971-72 fiscal year.

Homeowners' Property Tax Relief

Chapter 1, Statutes of 1968, 1st Extraordinary Session broadened the property tax relief program to include general individual homeowners. The first year of the program provided a direct payment of \$70 for each qualified homeowner. The program now provides a \$750 property tax exemption of the total assessed

valuation which is administered by the local county assessors. Expenditures for this program are estimated to be \$235 million for the 1971-72 fiscal year.

Personal Property Tax Relief

Chapter 1, Statutes of 1968, First Extraordinary Session also provided the first step in providing an exemption for business inventories. This bill provided an exemption of 15 percent of the assessed value of business inventories. This local tax loss was to be directly reimbursed from state funds.

Chapter 1526, Statutes of 1969, increased this exemption, beginning in the 1970-71 fiscal year, to 30 percent of the assessed value of business inventories. Expenditures for this program for the 1971-72 fiscal year are estimated to be approximately \$79 million which will be transferred to a special fund established for this purpose. The reimbursement to local jurisdictions to cover the actual tax loss is estimated to be approximately \$98.8 million.

Salary Increase Program

The 1971-72 budget provides support for the following programs: unemployment insurance, premium pay for overtime and night-shift differential.

Unemployment Insurance

For those state civil service employees with permanent or probationary status who are laid off because of budget reductions or other reasons of economy, an unemployment insurance program is proposed which will provide unemployment compensation benefits on the same terms and conditions as are specified in the Unemployment Insurance Code for other individuals. Enabling legislation will be introduced in the 1971 Legislature.

Premium Pay for Overtime

There are about 40,000 state employees who are not covered by the terms of the Fair Labor Standards Act but who would be entitled to premium overtime pay

by private industry standards. The University of California is already under this extended program. The funds budgeted are required to bring civil service and related classes and those classes whose salaries are set by the Trustees of the State Colleges into conformity. The proposed program to extend the premium pay for overtime is dependent upon passage of legislation authorizing such payments.

Night Shift Differential

This program is proposed to extend the payment of night-shift differential to additional classes of state employees whose counterparts in private industry receive such payments. The University of California is already under this extended program. The funds are required to bring civil service and related classes and those classes whose salaries are set by the Trustees of the State Colleges into conformity.

Judicial Salary Increase

With the passage of SB 1123 (Chapter 1507, Statutes of 1969), judges became entitled to an annual salary adjustment effective on September 1 of each year.

Five thousand dollars is proposed effective September 1, 1971, in lieu of the adjustment authorized in the above chapter.

Board of Equalization

During the past year, the Board of Equalization provided the planning and implementing for the collection of the transaction and use tax for San Francisco Bay Area Rapid Transit (BART) and Southern California Rapid Transit District (SCRTD).

BART became operational on April 1, 1970 and will be an on-going program. SCRTD became operational on July 1, 1970 and terminated after a period of six months.

Office of Emergency Services

Chapter 1454 of 1970 repealed the California Disaster Act and enacted the California Emergency Services Act which redefines and reaffirms the responsibilities of the Office of Emergency Services (formerly the California Disaster Office). In line with this legislation, the California Emergency Plan is undergoing complete revision by this office. Necessary provisions for subsequent upgrading of all related annexes and supporting plan elements are programmed. These will provide guidance and assistance to state agencies and local governments in the preparation of emergency services plans, thus insuring consistency in planning at all levels of government.

In each recent year California has experienced disastrous floods and fires, the latter often resulting in abnormal damage of watershed areas and adjacent communities during heavy rainfall conditions. The ever-increasing population spread adds to the hazard potential. As the conduit for federal assistance for natural disaster grants and federal agency support, this office has enabled California to lead the nation in the amount of federal money expended for declared major disasters. Nearly every county has been a bene-

ficiary under widespread flood and fire disasters. The office is currently engaged in programs that will further broaden the base for such support and grant programs in California. This will include formulation of a more comprehensive disaster plan to provide assistance to individuals and private enterprises not presently covered by existing programs.

Military Department

The Military Department is responsible for organizing and directing the activities of the California National Guard. The Army National Guard consists of approximately 22,500 officers and men in full operational readiness, assigned to 158 units located in 111 communities from Oregon to the Mexican border. The Air National Guard consists of approximately 5,000 officers and men assigned to 48 installations. The National Guard is subject to federal mobilization in time of national emergency, but otherwise is available to the Governor for military support of civil authority anywhere in California in the event of natural or war-caused disasters, civil disturbances or other emergencies.

Camp Roberts, closed by the active army and held in caretaker status, has been leased to the Military Department to provide a year-round training site to meet federal training requirements for both annual and weekend training. The total funding required to operate the training site will come from federal sources.

The Military Department also operates the California Cadet Corps Program by prescribing rules and regulations pertaining to the organization of cadet units and training to be conducted, provides supplies, uniforms, manuals and conducts inspections. The schools provide facilities, pay salaries of commandants of cadets and guide and control their respective units. The Department of Education coordinates with the Military Department by determining that commandants are educationally qualified and maintaining liaison through a Department of Education representative on the Advisory Committee for the California Cadet Corps.

Lieutenant Governor

In October 1969, the Governor designated the Lieutenant Governor as the Chief Executive Officer for Intergovernmental Relations. This added responsibility provides for the centralized coordination of the functions of several independent state agencies and activities and supports the Governor's Cabinet system for reviewing and establishing statewide policy. Under this relationship the Lieutenant Governor provides the coordinating link for a unified approach to the planning for the program areas of the other state agencies reporting through the Lieutenant Governor. Other program areas include electronic data processing, environmental quality, marine and coastal resources, model cities, and intergovernmental management.

The State Office of Planning reporting through the Lieutenant Governor in 1970-71, was abolished in November 1970 by Chapter 1534 which also established a new Office of Planning and Research within the Governor's Office.

The Lieutenant Governor is responsible for seven independent agencies with a total program cost of approximately \$1.6 million for 1971-72.

Finance

The Director of Finance serves as the Governor's chief advisor in fiscal and policy matters. This role is carried out through two programs: (1) the programming and budgeting system; (2) fiscal and program compliance.

In an effort designed to streamline high-expenditure areas, special projects will be emphasized during the current year and budget year. These projects will employ combined task forces of finance personnel, representatives of the departments involved and outside help in an effort to identify areas where savings may be made and where efficiencies may be realized.

The trend established in the current year in the compliance activities will be expanded. Greater emphasis will continue to be placed in the program review as contrasted to fiscal review. In addition, we plan to strengthen our effort on analysis of bills being considered by the Legislature.

The programming and implementation of the budget data system is scheduled for completion during fiscal year 1970-71 in conjunction with the development of a shared computer facility in the Department of General Services. This system will be run in parallel with the existing system during fiscal year 1971-72 before it will be declared operational.

Judicial

Central screening staffs have been added in the First, Second, and Third District Court of Appeals and one attorney has been added to the Fourth District Court of Appeals to increase the productivity of these courts. This new program was implemented in November and December of 1970 using the \$150,000 augmentation provided by the Legislature. The added cost of the full year program is \$166,000.

California Council on Criminal Justice

The council proposes a 1971-72 budget commensurate with the amount of federal funds being received. Federal grants are anticipated to increase from \$43 million in 1970-71 to \$75 million in 1971-72; \$100 million is expected in 1972-73.

Significant increases are in the areas of comprehensive and long-range planning, task force support, continuous project monitoring, and fiscal auditing, accounting, and management.



Agriculture and Services

Departments within this area are a grouping of diverse, independent and complex programs. They are primarily concerned with: promoting, protecting and developing agriculture; protection of consumers through regulation and licensing of professional individual business services; selected programs involving central administrative operations of the state such as Franchise Tax Board, Personnel Board and General Services.

Department of Agriculture

In preparation for its 1971-72 budget proposal, the Department of Agriculture has arrayed its programs in priority order, carefully reviewed and evaluated each program and its elements, and assigned resources in accordance with the critical needs of the total program structure. In accordance with this review and evaluation, a number of programs were altered within the department.

A budget year adjustment has been made in the Agricultural Pest and Disease Prevention Program to improve the pest detection and identification process. The operation of border inspection stations has been seasonally adjusted and increased emphasis placed upon the implementation of a pest detection survey activity.

Chapter 1571, Statutes of 1970, provided the authority to transfer unrefunded highway gas tax dollars to the Department of Agriculture. These funds will be utilized in 1971-72 to provide emergency pest detection and eradication by the Department of Agriculture and to provide local assistance to counties for county-administered agricultural programs.

In continuing to share everyone's concern for the quality of our environment, the Department of Agriculture will continue active leadership to insure that agriculture's share of responsibility in the fight against pollution is met.

In addition, the department will continue to solicit industry support of program costs wherever possible, particularly where programs are especially beneficial to industry and only indirectly to the general public.

Department of General Services

General Services provides centralized operational support (purchasing, communications, transportation, insurance, facilities planning, printing, duplicating, etc.), property management, maintenance and security for virtually every agency and department of state government.

Additional emphasis by General Services on the state's central records management program has resulted in the greatest reduction of official stored paperwork and records. As a result of the reduction, savings in storage costs alone are expected to average more than \$340,000 this year and even greater savings in the future if the program continues as expected.

Consolidation of the Department of Social Welfare's warehousing functions has begun and will be completed by July 1, 1971. It will result in substantial savings to the state in manpower, warehouse space, and operating expenses. Social Welfare's reproduction and supply services also will be consolidated on or before June 30, 1971. When fully implemented, it will provide an improved level of quality and service at a substantially lower overall cost to the state. Two additional consolidations will be made in 1971-72 involving departmentally operated warehouses in the Sacramento area. Last year's consolidation of Water Resources' huge inventories proved extremely successful from both an economy and efficiency standpoint.

In keeping with the administration's drive for increased governmental efficiency, Data Processing Service Center operations have been expanded to handle new and increasing statewide demands for high speed electronic data processing services. A new Shared Computer Facility (Service Center II) has been added to provide expanded EDP service to the Department of Education and the Department of Finance's Budget Data System as well as other state entities upon request. Service Center I continues to support the departmental requirements as well as providing increased service to the State Treasurer and computer control and monitoring of the State Printing Plant's

sophisticated new Video Composition system. The Office of State Printing is now in the process of testing its new system on legislative journals and histories, original and amended bills, and enrolled versions of bills. Retraining of personnel from linotype printing to the Video Composition is well underway with good initial results. Full conversion from Linotype to Video Composition for all legislative printing is expected by January 1972.

Radio engineering and maintenance service functions of Division of Highways has been consolidated with the Department's Communications Division on a two-year trial basis. Economic advantages of the consolidation appear excellent to date. Eight positions authorized for the two organizations and eight radio maintenance shops established throughout the state have been eliminated.

Anticipated reduction of field technician overhead and travel time and the elimination of duplicated administrative functions will further add to the economies and efficiencies. In addition to the improved level of service to all state agencies, the estimated savings totals approximately \$150,000.

The changing and shifting needs of state government are continuing to result in workload decreases within the Office of Architecture and Construction for the 1971-72 budget year. In keeping with this reduced workload, OAC will appropriately trim its staff to maintain the most efficient, economical operation possible.

Department of Consumer Affairs

(Formerly the Department of Professional and Vocational Standards)

The Department of Consumer Affairs was created by the Governor's Reorganization Plan No. 2 of 1970 and reaffirmed by the Legislature through Chapter 1394, Statutes of 1970.

This department was retitled and partially reconstituted as the Department of Consumer Affairs in keeping with the Governor's program to improve the quality of protection provided consumers. Chapter 1394, also assigns responsibility to the department to receive complaints from consumers concerning (a) unfair methods of competition and unfair or deceptive acts or practices in trade or commerce; and (b) the production, distribution, sale, and lease of any goods and services which may endanger the public health, safety, or welfare.

Newly created regulatory functions within the department and instituted in the current year are the Nursing Home Administrators Licensing Board, the Hearing Aid Dispensers Examining Committee, and a new category of licensing for educational psychologists. Transferred from the Office of the Labor Com-

missioner is the nurses registry function which is an employment or referral agency for licensed nurses.

Other activities were combined or retitled in the current year, and scholarship programs were established from several special funds for nurses and medical students.

Chapter 1327, Statutes of 1970, establishes a certification procedure for physicians' assistants. The impact of this legislation holds long-run promise for the easing of the scarcity of professional medical services,—particularly in the more rural areas of the state. This program establishes qualifying standards for the certification of physicians' assistants for the performance of the more routine medical services, such as setting broken limbs and other emergency or temporary medical procedures. These services are similar to those that might be performed by a medical corpsman in the military services.

State Personnel Board

A federally funded Career Opportunities Program has been approved in the current year and extended into 1971-72. This program is responsible for providing leadership and technical assistance to departments in developing increased career opportunities for the disadvantaged.

The program involves (1) identification of existing job opportunities; (2) creating new employment and career opportunities by job restructuring; and (3) the development of personnel policies to facilitate the placement, promotion, and retention of the disadvantaged in state service.

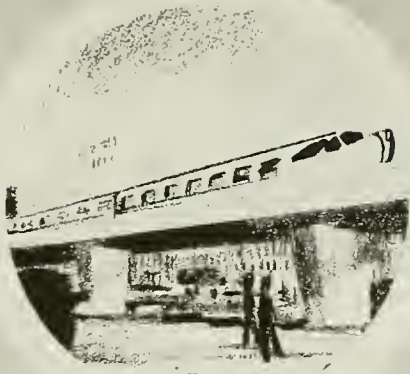
Department of Veterans' Affairs

This department administers programs for the California veteran that include the financing of farm and home purchases, the operation of a home for the aged and disabled veteran, educational assistance, and determination of eligibility for state benefits.

The 1970 Legislature mandated the establishment of a system of member fees at the Veterans' Home. Such a system was implemented effective September 1, 1970. The budget this year reflects the first full-year impact of the fee system. An additional reduction in General Fund support of the Veterans' Home is also reflected in both the current and budget years due to an anticipated increase in federal support.

Teachers' Retirement System

The 1971-72 administrative budget reflects augmentations for the past service verification program as well as the monthly reporting program. Two legislative bills, AB 1220 and AB 1646, passed in the 1970 session, have enabled the system to significantly improve its administrative program.



Business and Transportation

The two broad program areas under this heading represent: (1) the state's interest in promoting sound business practices to the end that the public is protected from economic loss and illegal or unethical business practices; (2) those departments concerned with the efficient, rapid, and safe movement of people and goods throughout the state.

Business

Net expenditures for the business and investment regulatory departments are being reduced by \$1,216,377, from \$26,813,384 for 1970-71 to \$25,597,007 for 1971-72. Man-years will increase slightly from 1,573.2 to 1,605.1. This increase in man-years is primarily due to additional workload resulting from new legislation and changes in the economy.

The *Department of Real Estate* is adding 18 new positions to handle the increased salesman and broker licensing activity plus additional workload related to subdivisions and real estate syndicates. The Real Estate Fund will be the source of the support for these new positions.

Nine new positions are included in the *Department of Insurance's* regulation of insurance companies program to handle increased workload in the areas of field examination and rate regulation. The cost of these positions is offset by direct charges against those insurance companies being examined.

In 1969, Section 8800 of the California Financial Code was amended to require the Savings and Loan Commissioner to examine every association under his jurisdiction at least once every two years instead of once every year. This enabled the *Department of Savings and Loan* to introduce greater flexibility into the program of selective scheduling of examinations and to concentrate examination effort on associations with management, operating and financial weakness. This selective scheduling of examinations along with an improved association evaluation system has enabled the department to reduce its staffing requirements for 1971-72 to 154 man-years in contrast to 159.5 man-years for 1970-71.

The *Department of Corporations* is charged with the enforcement and administration of the new Franchise Investment Law (Chapter 1400, Statutes of 1970), which became operative on January 1, 1971. It is the intent of this law to provide each prospective franchisee with the information necessary to make an intelligent decision regarding franchises being offered and to prohibit the sale of franchises where such sale might lead to fraud or a likelihood that the franchisor's promises would not be fulfilled. This regulatory activity will cost \$81,748 and will require 7.9 man-years for the 1971-72 fiscal year. The additional staff required for this program will be offset by reductions in other areas, principally in the Retirement Systems Law, where regulation has been simplified through enactment of a new disclosure law in 1970.

In the *Department of Housing and Community Development*, the employee housing and labor camps element is increased from \$134,216 in the current year to \$185,353 in the budget year. Legislation which requires annual inspection of labor camps has caused the increase in this element. The mobilehomes element is increased from \$673,215 in 1970-71 to \$840,645 in 1971-72 because of significant rises in workload resulting from implementation of new construction regulations for mobilehomes and commercial coaches. A decrease in workload is anticipated in mobilehome parks and accessory structures element as several counties are expected to assume enforcement responsibility as a result of recent legislation.

Expenditures for the *State Banking Department* and the *Department of Alcoholic Beverage Control* will be held to approximately the current year level.

Transportation

Expenditures for those departments and activities related to transportation will total \$1,123,870,075 in 1971-72 as compared to \$1,243,920,290 in the current fiscal year. The reduced expenditure estimate is primarily the result of a decrease in federal funds for the interstate highway systems. In most other program areas expenditures will be increased to meet the states growing transportation needs.

Department of Public Works

The 1971-72 budget for the Department of Public Works contains \$635,814,000 for major highway construction and improvements, including rights-of-way and engineering. This will provide for the construction of nearly 165 miles of multilane freeways, the widening of 30 miles of existing freeways and the addition of 10 miles of auxiliary lanes aimed at improving freeway operational qualities. It will also construct about 21 miles of two-lane expressways and 40.5 miles of two-lane conventional highways, and construct or widen 6.5 miles of multilane conventional facilities.

This budget reflects a loss of \$85.2 million in federal aid for California highways, the largest part of which had been earmarked for construction projects on interstate system freeways.

There is also a shift of approximately \$37 million for highway construction to the 13 more densely populated southern counties from the 45 counties of the north. This shift was caused by recently passed legislation which changes the statutory formula for the allocation of state highway funds from 55 percent south-45 percent north to 60 percent south-40 percent north.

The Department of Public Works will continue its active program to reduce fatalities and accidents on the State Highway System. Sixteen million dollars has been budgeted for projects programmed specifically to eliminate the most hazardous areas on the State Highway System as shown on the newly completed statewide inventory of traffic hazards. A departmental goal has been established to realize an annual reduction of 83 fatalities and 3,125 accidents when all improvements are constructed.

A most significant achievement during 1970 was the increased involvement in the joint use of highway rights-of-way with other modes of transportation. A tracked air cushion vehicle for rapid transit is now being planned to utilize the San Diego Freeway median in Los Angeles, and a mass transit exclusive bus lane project is being developed in conjunction with the San Bernardino Freeway.

During 1971-72, the department will move actively to advance the planning capability in the overall transportation field. Specific activity will include completion of the development of a statewide traffic model, completion of functional classification of all streets, roads, highways in the state, and the development of the ability to predict demands for various modes for transportation in the major urban areas.

In the area of highway construction, the state will continue the significant improvements which have been made in revising plans, policies, and procedures based on community and environmental factors consideration. Mixed discipline units charged specifically with responsibility for community and environmental fac-

tors have been developed within existing staffing levels to operate in all 11 highway districts and the department's headquarters staff. Each freeway route location study will consider potential air and noise pollution and will meet all requirements of the "Environmental Quality Act of 1970".

Department of Motor Vehicles

The growth in highway transportation in California is perhaps best exemplified by the number of registered vehicles and licensed drivers. In 1971-72 it is estimated that the Department of Motor Vehicles will register 14,891,000 vehicles and issue over 860,000 original driver's licenses. Vehicle registrations are increasing at a rate of over 4.7 percent a year and the total number of driver's licenses outstanding is increasing at a rate of over 4.5 percent per year.

In the Department of Motor Vehicles there is an increase of 118.3 man-years to meet this workload and to implement new legislation enacted in 1970. This increase has been minimized through the full implementation of engineered work standards throughout the department and with the completion of the driver record file conversion from manual to electronic data processing. The department's automated information system now provides rapid access to individual driver and vehicle records 24 hours a day.

Department of the California Highway Patrol

The 1971-72 budget for the Department of the California Highway Patrol reflects the costs of additional personnel and significant increases in vehicle costs. It provides for an increase of 282 man-years to carry out the department's responsibilities on the state highway and county road system and to meet workload increases relating to truck and passenger vehicle inspection activities. The budget also provides funds for the construction of a new Highway Patrol Academy near Sacramento and for the acquisition or construction of facilities at Westminster, Baldwin Park, Woodland, Grass Valley, Redwood City, and San Jose.

Department of Aeronautics

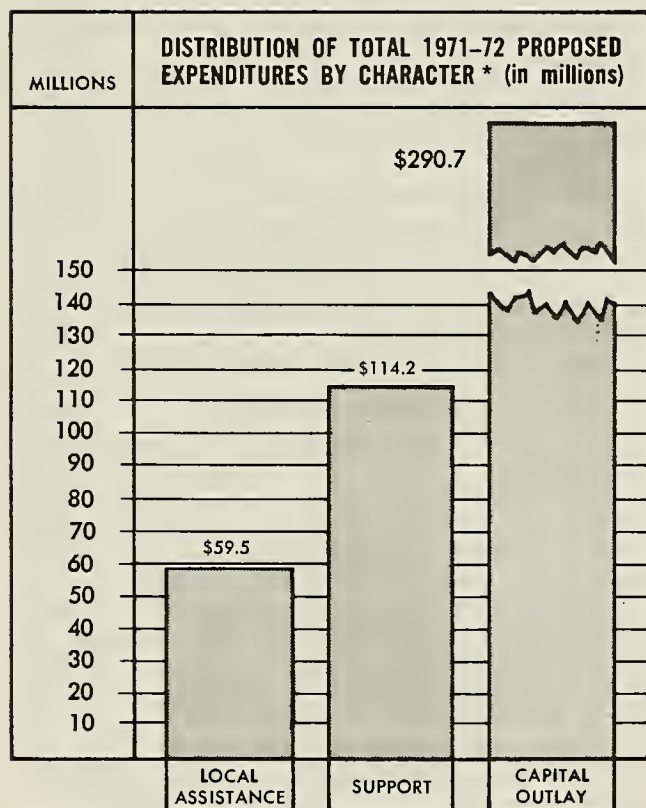
A State Master Airport Plan is being developed by the Department of Aeronautics to provide a plan for airport development in California for the next 20 years. Funding for the final phase of this plan is proposed in 1971-72 at a cost of \$227,000 from the Aeronautics Fund and \$455,000 from federal funds. Stemming from 1970 legislation, a new program is being implemented at a cost of \$150,000 to provide training flight strips for general aviation away from congested metropolitan airports. The minimum annual allocation to publicly owned airports will increase from \$2,500 per airport to \$5,000 per airport in 1970-71 and 1971-72.



Resources

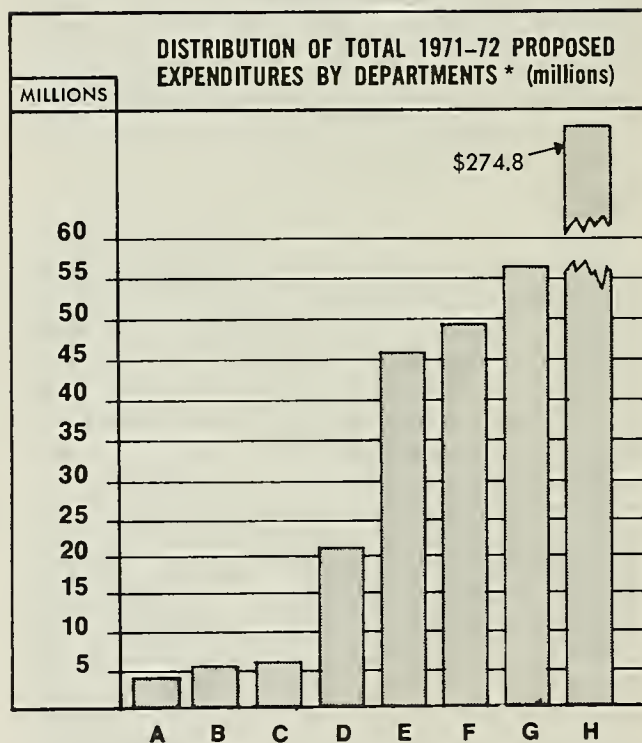
These programs are directly concerned with protecting, preserving, enhancing and developing, for the benefit of all Californians, the state's environmental wealth. Programs funded by the state range from those designed to attain and maintain desirable standards of air and water purity, to forest firefighting, flood control, water development and the creation of recreational opportunities.

**CHART 4
RESOURCES**



* All funds including General Fund, special funds, and bond funds.

**CHART 5
RESOURCES**



- A. OTHER \$4.1
- B. NAVIGATION AND OCEAN DEVELOPMENT \$5.7
- C. AIR RESOURCES BOARD \$6.4
- D. FISH AND GAME \$21.6
- E. CONSERVATION \$45.6
- F. PARKS AND RECREATION \$49.8
- G. WATER RESOURCES CONTROL BOARD \$56.5
- H. WATER RESOURCES \$274.8

* All funds including General Fund, special funds, and bond funds.

A brief description of programs found within the Resources Agency and related to environmental protection and enhancement follows:

ENVIRONMENTAL PROTECTION AND ENHANCEMENT

Need

California has demonstrated and possesses an unparalleled capacity to build and develop economic resources and to increase its citizens' standards of living. However it is becoming increasingly obvious that a greater portion of our effort must be directed toward protecting and enhancing our natural resources and environment.

Man's environment is his total surroundings, the physical, biological, and cultural factors, both natural and manmade, which affect his health, senses and intellect. The major physical factors of the environment which must be considered are the land, water, air, climates, sound, odors, tastes, and manmade structures. The biological factors of the environment are the animals and plants, both wild and domestic, native and introduced. Man himself is part of the biological environment. Cultural environmental factors are the characteristic features of a given stage of civilization, the architectural styles, human activities and the available services and amenities.

Objectives

California has been working for several years to identify and solve its environmental problems. Its main emphasis has been in the areas of air pollution abatement, fish and wildlife protection, and water pollution prevention and control. In recent years, environmental protection has been expanded to include land use, waste management, noise control and water reclamation, to name a few.

The Secretary for Resources is primarily responsible for ensuring the adequate and properly balanced management of government functions related to California's environment. Within the Resources Agency, governmental functions are being coordinated to assure that departmental programs which preserve and enhance one resource do not lead to the deterioration of another resource. Steps have been taken to expand this coordination to all other agencies.

Through the passage of the "California Clean Water Bond Act of 1970," the citizens of California have enunciated their support of environmental protection. This is only one of the specific problem areas to which emphasis is being given.

Several other specific problem areas and some of the related departmental program elements and expenditures are cited to illustrate the extent of the state's involvement in environmental protection. The following list of program elements should be considered as "action elements," recognizing that almost all governmental programs relate in some way to man and his environment.

Specific Problems

I. Air Quality

Air pollution ranks as one of the most serious of the many environmental problems. It occurs in many areas of the state and is more intense in the heavily populated areas.

Air pollution almost certainly injures man's possessions, interferes with his activities, offends his senses and degrades his environment. It is known to aggravate respiratory diseases and cause eye irritation.

Air Resources Board

Air Pollution Control:	1971-72
Air quality management -----	\$5,885,630
Motor vehicle emissions control ---	1,166,971
Evaluation and planning -----	147,000
Total -----	\$7,199,601
<i>State funds -----</i>	<i>6,399,601</i>
<i>Federal funds -----</i>	<i>800,000</i>

II. Water Quality

Water pollution has been under attack in California for more than four decades. During this time, the problems and threats have accelerated. Pollution from domestic sewage, agricultural fertilizers, pesticides and industrial wastes have degraded many waters. Since water is neither created nor destroyed, we must protect our quality waters and reclaim that water which has become polluted.

Department of Water Resources

<i>Conservation, Development and Use of State Water Resources</i>	1971-72
Continuing Formulation of California Water Plan:	
Surface water quality data -----	\$390,000
Ground water quality data -----	178,000
Waste water reclamation -----	207,000
Sea water intrusion studies -----	52,000
Ground water basin protection studies -----	85,000
Water quality investigations -----	524,060
California-Nevada Joint Water Quality Investigation of Lake Tahoe -----	18,000
Mammoth Basin water resources environmental study -----	15,000
Lower Salinas Valley sea water intrusion -----	9,000
Delta multipurpose levee study ---	52,000
Character and use of rivers -----	52,000
Geothermal resources -----	36,000
Fishery and wildlife enhancement	42,000
Sierra foothills investigation -----	52,000
Environmental impact analysis ---	104,000
Recreation, fish, and wildlife enhancement -----	175,000
Bay delta environmental protection study -----	328,000
San Joaquin Valley drainage monitoring -----	71,000
Totals, Department of Water Resources (state funds) -----	\$2,390,060

State Water Resources Control Board

Support:

Water quality control -----	\$3,543,350
Planning and research -----	2,017,250
Totals -----	\$5,560,600
State funds -----	3,367,600
Clean Water Bond Fund -----	1,540,000
Federal funds -----	653,000

Local Assistance:

Assistance for construction of sewerage, storm drainage and water quality facilities -----	50,161,000
State funds -----	161,000
Clean Water Bond Fund -----	50,000,000

Department of Fish and Game

Water projects and water quality (state funds) -----	\$450,775
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Department of Navigation and Ocean Development

Vessel waste disposal (state funds) --	\$28,637
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III. Land Use

Man's use of California land is wasteful. Prime agricultural land is studded with houses, open space is lost in cities, soils eroded, hills are reshaped and removed, and tidal lands and bays are being filled. Most of this damage is directly related to unplanned population growth. The use of the land must be planned with protection and enhancement of the environment a main objective.

State Lands Division

Land management (state funds) ----	\$1,520,800
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Department of Navigation and Ocean Development

Beach erosion control -----	\$182,175
Comprehensive Ocean Area Plan ----	150,640

Total (state funds) -----	\$332,815
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Special Resources Services and Studies

Tahoe Regional Planning Compact --	\$50,000
Powerplant Siting Program -----	100,000
Ventura-Los Angeles Mountain and Coastal Study Commission -----	100,000

Total (state funds) -----	\$250,000
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Department of Conservation

Watershed and Fire Protection:

Fire prevention -----	\$539,000
Fire control -----	4,600,000
Fire protection -----	1,263,000
Forest range and watershed management -----	328,000
Conservation camps -----	640,000
Oil, gas, and geothermal protection:	
Regulation of oil and gas operations	196,000
Regulation of geothermal operations	2,000
Subsidence abatement -----	16,000

Totals -----	\$7,584,000
State funds -----	7,084,000
Federal funds -----	500,000

San Francisco Bay Conservation and Development Commission

Support (state funds) -----	\$259,000
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IV. Solid Waste

Large quantities of solid waste degrade the environment by causing health problems, being unsightly and occupying space. An estimated 80 million tons of solid waste is produced annually in California. Its disposal, however, can also cause air or water pollution. Better methods of disposal must be developed and attacks must be made on the source of the problem as well.

The Bay Conservation and Development Commission has established regulations prohibiting use of the bay as a dumping ground for wastes. The Department of Water Resources classifies lands for dumpsite use to preclude contamination of subsurface waters by waste disposal sites.

Consideration of the problems of waste management illustrates the interrelationship of environmental problems. If waste products are burned, air pollution results. If severe controls are placed on burning, then serious water quality and solid waste disposal problems may result. The solution is to devise control measures which result in the least environmental degradation with consideration given to land use and water quality as well as air quality.

Although effort toward environmental protection and enhancement is made throughout various programs of the state, the identification and relationship of specific elements to major program objectives is no easy task. It is intended that the Governor's Budget for 1972-73 will include an inventory of all elements of environmental protection and enhancement effort and that steps will be taken to establish criteria for determining priorities for environmental expenditures.

The Resources Agency, under the direction of the Resources Secretary, is composed of the Departments of Water Resources, Parks and Recreation, Conservation, Fish and Game, Navigation and Ocean Development, the Air Resources Board, the State Water Resources Control Board, the Reclamation Board and such smaller entities as the San Francisco Bay Conservation and Development Commission, and the Colorado River Board. A brief description of agency activities follows:

Conservation

The objective of the Department of Conservation is the protection, conservation and development of California's forests, wildlands, watersheds, mineral deposits, and soil resources. These natural resource needs are fulfilled through programs of the Divisions of Forestry, Mines and Geology, Oil and Gas, and Soil Conservation. The department proposes to spend \$45.6 million in state funds to administer these programs in 1971-72.

In the forest and watershed fire protection area, basic fire protection is provided to 38 million acres of California's prime forest, range, and watershed lands. Approximately 9.5 million acres of federal and local responsibility land is protected under contract with various counties and federal agencies. Fire protection is also furnished for many local government and fed-

eral agencies on a reimbursed basis. In addition, this highly mobile emergency force is often called upon to render assistance during times of natural disasters such as floods, tidal waves, and earthquakes.

In 1971-72, it is proposed to relocate 340 conservation camp inmates to Department of Corrections conservation centers. This will result in the closure of five conservation camps for a savings of over \$250,000, with no significant drop in firefighting capability. The fire control element within the department is being strengthened substantially through an expanded and improved fire dispatch system and an augmented air attack program.

In the geology and mineral resources area, essential information is provided for protection of the public from landslides, debris flows, land subsidence and uplift, earthquake, fault movement, coastal and flood erosion, mudslides, and other geological hazards. Other activities within the geology and mineral resources area include the production of geologic maps, often in cooperation with local and municipal governments. Also California's mineral resources are investigated and explored to assure a continuous and orderly development of the state's industries.

In the area of oil, gas, and geothermal operations, regulatory statutes are enforced which assure greater ultimate recovery of oil, gas, and geothermal resources, the prevention of wastes and damage, and the prevention of contamination of fresh waters penetrated by wells. This program is entirely funded by assessment of the oil, gas, and geothermal industries. It is proposed in 1971-72 to improve operational effectiveness and avoid future personnel increases by (1) automating the process of compiling well production reports, (2) converting the conventional record-keeping system to microfilm and (3) installing mobile radios in six of the field engineers' automobiles.

Fish and Game

The objective of the Department of Fish and Game is to insure the perpetuation and enhancement of fish and wildlife for the present and future use and enjoyment of the citizens of the state. In 1971-72, the department proposes a budget of \$21.6 million to accomplish this objective. The department's six programs include enforcement of laws and regulations, wildlife, inland fisheries, anadromous fisheries, marine resources, and water projects and water quality.

The enforcement program accounts for almost one-third of the department's budget. The objective of this program is to insure that the Fish and Game Code is enforced to a degree that will provide for the maximum sustained yield, utilization and enjoyment of the fish and wildlife resources.

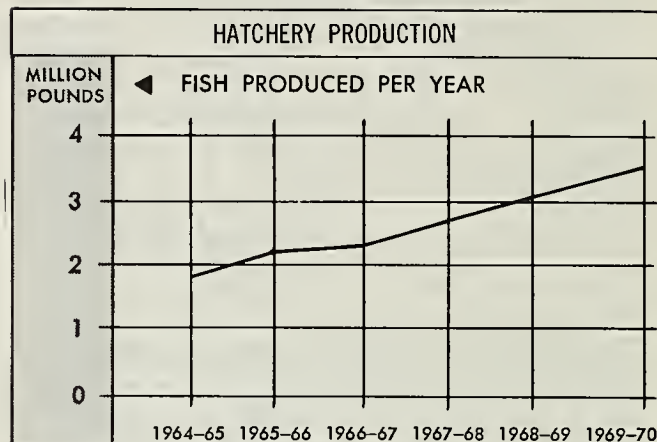
The wildlife management program attempts to perpetuate and conserve wildlife found throughout the state, to maintain optimum breeding stock of our wildlife species and to obtain an optimum harvest of those game species that have an open hunting season. Over five million days of recreation for California hunters are provided by upland game species alone.

The inland fisheries program seeks to provide diversified and satisfactory fishing for California anglers while insuring the perpetuation of the state's native fisheries. Freshwater fishing in California currently

sustains about 18,000,000 angler-days annually. To supplement natural fish production, the department operates 23 hatcheries which annually produce almost three and one-half million pounds of fish for stocking purposes.

Construction of the warmwater hatchery at Niland will be completed in 1970-71. The 1971-72 budget contains funds to equip, staff and operate this hatchery.

CHART 6



The anadromous fisheries program deals with the important species of salmon, steelhead, striped bass, shad and sturgeon. These resources support an estimated three million angler-days of recreational fishing annually, while the commercial catch of salmon averages eight million pounds annually.

The marine resources program has as its goal to maintain all species of marine fish and marine wildlife for their intrinsic and ecological values as well as for their direct benefits to man. California now produces about one-tenth of the five billion pounds of commercial fishery products produced by the United States. Marine sport anglers fish more than six million days annually and land over 29 million pounds of fish in California in addition to the commercial catch.

The program of water projects and water quality involves the review and study of federal, state, and state-assisted water projects, federal highway projects, and statewide water quality conditions to protect and augment existing fish and wildlife resources.

In 1971-72, the department is proposing to replace or renovate their Beechcraft airplane at a cost of \$300,000. The replacement of the patrol boat "Yellow-tail" is also proposed.

Navigation and Ocean Development

Under provisions of the Governor's Reorganization Plan No. 2 of 1969 the Department of Harbors and Watercraft was abolished and the Department of Navigation and Ocean Development was established effective November 10, 1969. The objectives of the department are to develop and improve the waterways and boating facilities of the state, to promote safety of persons and property in and connected with the operation of vessels on state waters and to conduct a

beach erosion control program in cooperation with the federal government and agencies of local government.

The boating facilities development program comprises over 80 percent of the department's budget. A launching facility grant is proposed for Lime Saddle at Oroville Reservoir. Small craft harbor construction loans are planned for the Berkeley Marina (Alameda County), Oceanside Harbor (San Diego County), Fish Harbor Marina (Los Angeles County), and San Leandro Harbor (Alameda County).

The boating safety and regulation program reflects the proposed establishment, in 1971-72, of a vessel waste management element. The objective of this activity is to achieve compliance among boaters with the state water quality requirements.

The beach erosion control program was transferred from the Department of Water Resources under provisions of the reorganization mentioned above. In 1971-72, \$52,800 is proposed for Stage 5 of the Orange County Beach Erosion Control Project.

The department is also proposing a capital outlay project for the construction of a boat launching ramp and parking area at Millerton Lake State Recreational Area. The project would provide continuous year-round access to this recreation facility.

Department of Parks and Recreation

The Department of Parks and Recreation is proposing expenditures of \$49.8 million in 1971-72 to meet its six principal objectives:

1. To secure and preserve elements of the state's outstanding landscape, cultural and historical features.

2. To provide for the meaningful and constructive use of people's uncommitted time.

3. To help people understand and appreciate, through an interpretive program, the state's cultural, historic and natural heritage.

4. To maintain and where necessary improve the quality of California's environment.

5. To maintain a statewide recreation plan that includes a continuing analysis of the state's need for recreational areas and facilities, and a recommendation of the levels of public and private responses for meeting this need.

6. To encourage all levels of government and private enterprise throughout the state to participate, whenever feasible, in the development and operation of recreational facilities.

The major activity of the Department of Parks and Recreation is the development and operation of the state park system. It is anticipated that over 45 million people will visit these facilities in 1971-72.

One of the major changes within the department for 1971-72 involves a change in emphasis from statewide, long-range planning to a concentration on the planning and development of recreation facilities at state water projects. This is the result of the successful passage of Proposition 20 in the November 1970 election. Proposition 20 established the Recreation and Fish and Wildlife Enhancement Bond Fund and the department has assumed the responsibility for a \$54,000,000 recreation development program at state water projects.

In 1971-72, \$500,000 is proposed for workload increases tied to operation of the state park system. The

largest single item in this category is the opening of the Pendleton Beach area, which has recently been acquired from the federal government.

The 1971-72 capital outlay budget for the department proposes expenditures in excess of \$27,500,000. Over \$18,000,000 of this total would be from the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964 which will be completely expended in the budget year. Over \$8.6 million is proposed from the Recreation and Fish and Wildlife Enhancement Fund authorized by Proposition 20. Some of the major areas proposed for development in 1971-72 include Point Mugu State Recreation Area, Pismo State Beach, Silverwood Lake, Refugio State Beach, Doheny Beach and Castaic and Del Valle Reservoirs.

Water Resources

The primary objective of the 1971-72 expenditure program of the Department of Water Resources continues to be the maximum beneficial use of California's water with the completion of the State Water Project an essential responsibility.

The California Water Project remains on schedule. Work on the project is continuing to move southward, with a considerable amount of construction being carried on south of the Tehachapi Mountains. In the construction of the initial facilities of the State Water Project for water deliveries from Castaic and Perris Reservoirs, 97 percent of the facilities will be completed by July 1972. Scheduled water deliveries for 1971-72 will total approximately 713,000 acre-feet, which will represent a 43-percent increase over the deliveries of the preceding year.

General departmental planning will continue to emphasize investigation of statewide water needs as well as joint financing in connection with investigations of a local nature. During 1971-72, the department will give added emphasis to water quality and the environmental aspects of our water resources.

The department's local assistance activities for 1971-72 are in the area of flood control. This activity provides for continuation of reimbursements to local agencies for lands, easements and rights-of-way acquired in conjunction with authorized flood control projects. In 1971-72, \$4 million is provided for this purpose.

State Water Resources Control Board

The State Water Resources Control Board is charged with the function of determining the rights to the use of water, so that the limited water resources of the state are wisely used and, with the nine regional water quality control boards, to provide coordinated statewide control of water quality. The three major programs of the board are water quality control, planning and research and water rights.

The objective of the water quality control program is to end water pollution and to maintain the highest possible water quality. To work toward this objective the board must formulate water quality control policies, establish and review waste discharge requirements, maintain a surveillance and enforcement activity, and review applications for federal grants and state financial assistance for construction of waste treatment facilities.

The planning and research program has as its objective to provide comprehensive long-range planning to better manage the quality of the state's water. The data and information provided by this program is needed to solve the increasingly complex problems of water quality management.

The objective of the water rights program is to obtain the greatest beneficial use of the waters of the state. It is also important to prevent waste or unreasonable use of water by administering the appropriation laws, to give assistance to the courts in determination of water rights, and to maintain a record of water diversions and use throughout the state.

The passage of the Porter-Cologne Water Quality Control Act and the Clean Water Bond Law of 1970 have greatly expanded the tasks and workload of the board, which will increase overall operating costs by slightly over one million dollars.

The authority of the state and regional boards was substantially increased by the Porter-Cologne Water Quality Control Act, which became operative on January 1, 1970. The Porter-Cologne Act is the first major overhaul of the state's water quality control law in 20 years and it is regarded as the toughest water quality control act in the nation.

In the November 1970 general election, over 75 percent of the voters approved the Clean Water Bond Law of 1970. This \$250 million bond issue is part of a federal-state-local program to invest one billion dollars in construction of new or improved wastewater treatment and disposal facilities in California in the next five years. The board is anticipating the expenditure of \$50 million in bond funds during 1971-72 to assist local entities in the construction of these facilities.

Air Resources Board

The mission of the Air Resources Board is to control air pollution in California. Air pollution is complex, both in its makeup and in its control.

This budget provides \$7.2 million (including \$800,000 in federal funds) for support of the air pollution control activities of the board, including funds for continued research into the causes of smog and the inter-action of various pollutants in the atmosphere. As additional information is gained, new or revised air quality standards will be set for the contaminants. New emissions standards will also be set to control both stationary and vehicular sources of pollution.

California has turned the corner on vehicle pollution; however, more work is needed if the objective of restoring air quality to the 1940 levels is to be met, particularly with the increase in car population anticipated by 1980.

The 1970-71 budget provided \$1.6 million for constructing and equipping a new air pollution laboratory which will be capable of evaluating the numerous control systems being developed. It will also be used for research and development in connection with the increasingly critical emissions standards. This facility will be in operation during 1971-72.

The 1970 Legislature directed the Air Resources Board to initiate a number of new programs or expand current programs in fiscal year 1970-71. This action will be reaching full effectiveness in 1971-72. The programs include control of agricultural burning, expansion of state air monitoring activities, coordination of local air pollution control districts, review of local air pollution rules and regulations, and a greatly expanded research program.



Human Relations

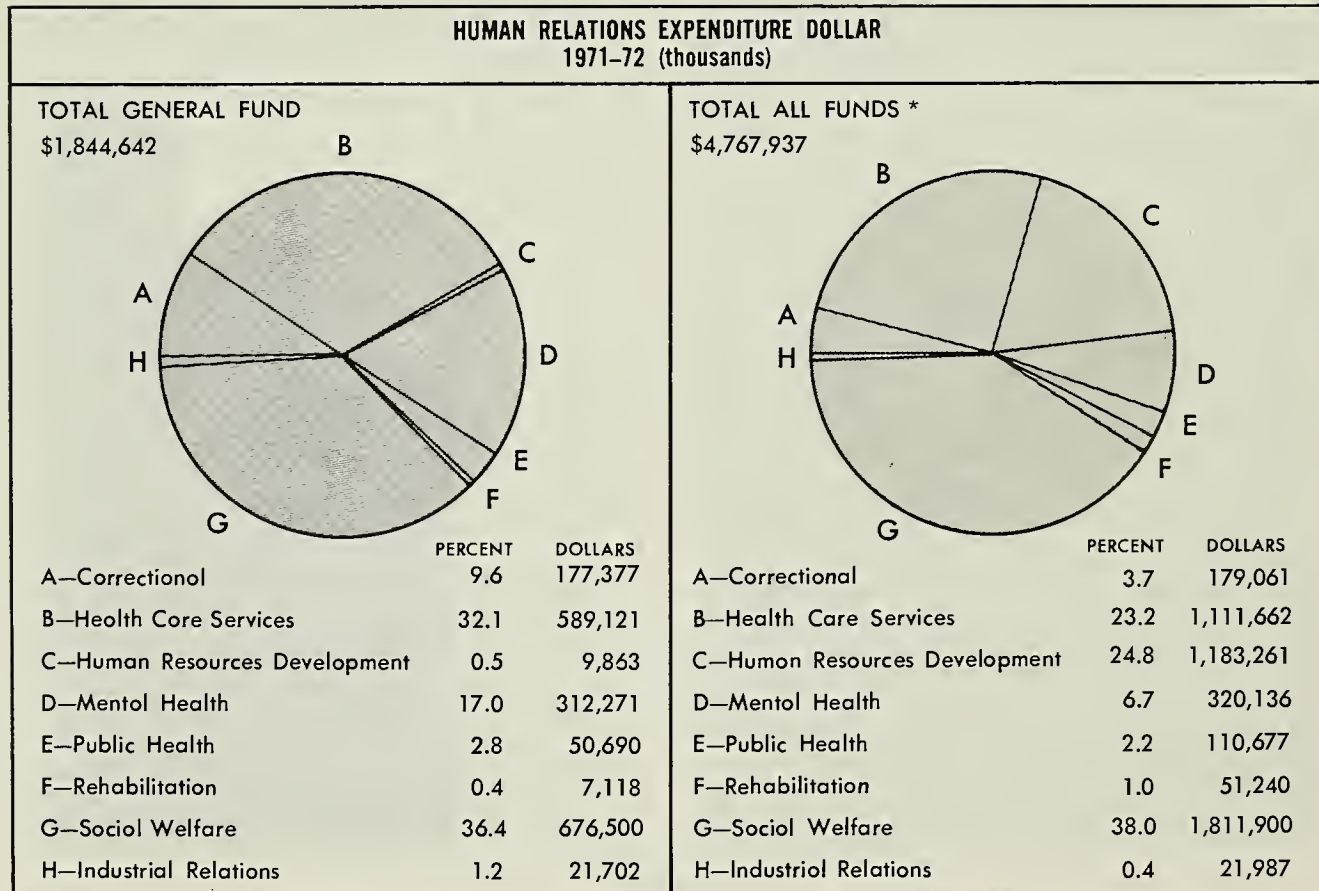
Human Relations Introduction

The Human Relations category encompasses the health, welfare and correctional program areas and is second only to education in the magnitude of state expenditures. Services are provided to a broad spectrum of California citizens through the joint efforts of state, federal and local agencies. Continued emphasis will be placed on the development and operation of local programs in the 1971-72 fiscal year.

Department of Mental Hygiene

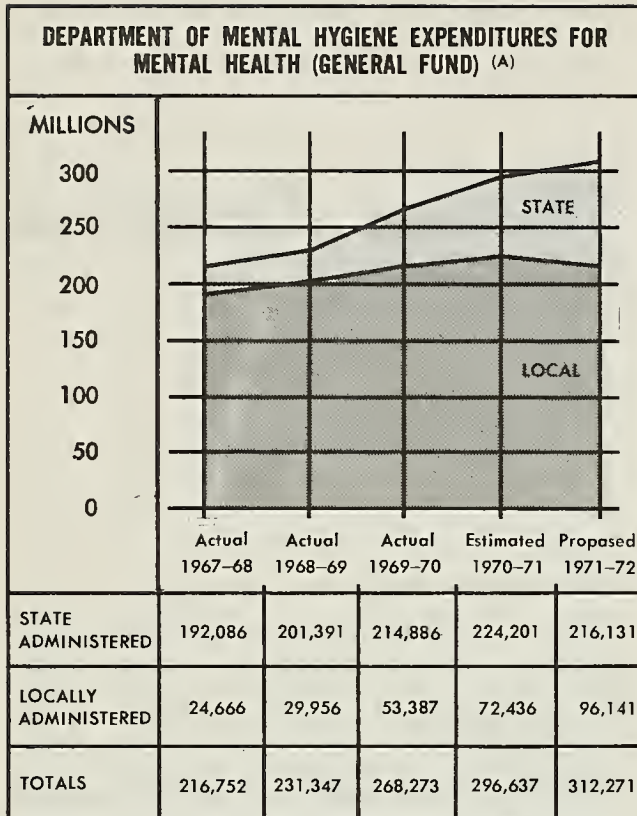
On July 1, 1969, the Department of Mental Hygiene began operating under the provisions of the California Mental Health Act. As of December 1, 1970, 58 counties and communities have established community mental health programs. These programs provide services to the mentally ill, drug abusers, and alcoholics, and have contributed significantly to reducing the population in the hospitals for the mentally ill. This decrease

CHART 7



* Excludes local funds.

CHART 8



in population, plus more effective management of available resources, has made possible a reduction in nursing supervisor and hospital support positions. Similarly, the reduction in inpatient population has reached the point where it is no longer economically feasible for the state to continue operating DeWitt State Hospital, and it will be transferred to Placer County or closed by July 1, 1971. In the 1971-72 budget, the state is continuing to increase its financial assistance to the community mental health programs (see Chart 8). The 1971-72 budget includes an increased General Fund expenditure of \$21,598,715 over the 1970-71 budget. Essentially, these funds are to meet the general increase in the cost of care, and the cost of aftercare services which the Legislature recently added as a required service of the local programs. The state-local cost-sharing ratio continues at 90 percent state and 10 percent local.

In February 1968, new staffing standards which had been recommended by the California Commission on Staffing Standards were adopted, with a five-year goal set to achieve these standards. However, on January 1, 1970, 100 percent of the recommended standard was achieved for the nursing staff of the hospitals for the mentally ill. The 1971-72 budget will continue this staffing at 100 percent of standard. Nursing staffing in the hospitals for the mentally retarded is currently at 88 percent of the standard. The 1971-72 budget proposes the addition of 160 positions which, along with the continuing decline of inpatient population, will raise the percent of standard achieved to 91.

Inpatient population in the state hospitals was 47,

190 on June 30, 1960, and 42,270 on June 30, 1965. It is estimated that this population will decline to 20,689 by June 30, 1972, a reduction of 51 percent. This reduction has resulted in a decreased need for nursing care personnel, which is reflected in a reduced amount being proposed for manpower training and development. In keeping with this continuing reduction in workload, appropriate reductions are proposed in headquarters administration.

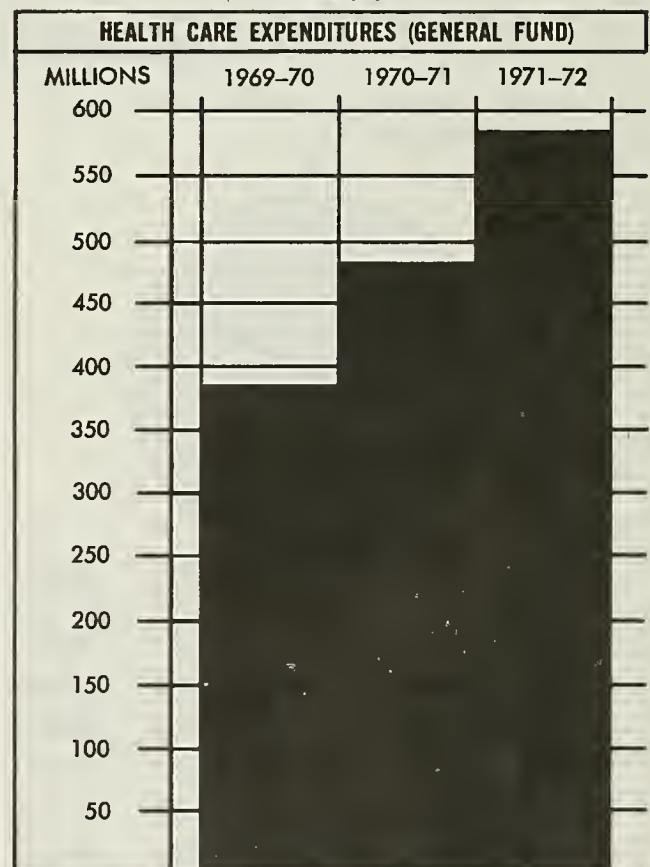
Medi-Cal

The California Medical Assistance Program (Medi-Cal), administered by the Department of Health Care Services in cooperation with county and federal government, is budgeted at a total of \$1.336 billion in fiscal year 1971-72. The state's share of this program is budgeted at \$589 million from the General Fund. (See chart below for the General Fund expenditures for the past, current and budget years.)

In the current year spiraling costs resulting from increasing caseloads and heavier than expected utilization of services caused the Department of Health Care Services to take administrative action to curb these rising costs through the adoption of emergency regulations. The control measures are expected to remain in effect for the balance of the 1970-71 fiscal year in order to maintain the expenditure level within appropriation limitations.

The 1971-72 fiscal year General Fund share of cost reflects an increase of \$105 million over the current year. The Governor's Budget also reflects a change in concept with respect to the degree of utilization by

CHART 9



recipients and is referred to in the budget document as the "average citizen" plan. Under this plan the medical services annually provided to the Medi-Cal caseload will be closely related to that obtained by the self-supporting American citizen.

Further, the new proposal would create an incentive to be more selective on the utilization of medical services by the recipients. Administratively the plan would enable the department to establish a known and controllable fiscal program. No significant change in caseload is expected as a result of the implementation of this plan.

Department of Social Welfare

Public assistance and social services for the aged, the handicapped, dependent children, and the needy will require \$676.5 million from state funds during 1971-72, a decrease of \$65.2 million from comparable expenditures in the current fiscal year.

Fiscal requirements for 1971-72 have been lowered based upon the projected implementation of recommendations made by the Governor's Task Force on Public Assistance and the Departmental Regulations Task Force. These changes will affect the department's programs as follows: tightening of welfare eligibility procedures; limitation on allowable expenses of employment; redefinition of "unemployed parent"; stricter eligibility requirements and allowances for in-home protective living arrangements and special housing needs; and other public assistance reforms through administrative and legislative action.

Continued accelerated growth in welfare costs has put tremendous pressure on state governments in their attempts to provide for the needs of the public within available funds. In fiscal year 1970-71, an in-depth analysis of welfare regulations was undertaken. As a result of this analysis, the current year 1970-71 and budget year 1971-72 reflect cost reductions in several areas as outlined above.

Efforts will be continued in 1971-72 to develop additional welfare reforms in a variety of program areas, including eligibility and payment determination, overall system management, and the delivery of welfare services.

Department of Human Resources Development

The department will continue to direct its resources and programs for job training and placement services so as to insure effective primary utilization to those areas with the largest concentration of unemployment. It is estimated that 1.5 million Californians are disadvantaged, poor or near poverty. Programs to upgrade and refer unemployed persons will continue in the budget year.

In the Job Training, Development and Placement programs, the department will increase its computer-assisted job and applicant matching system (LINCS) and integrate it with computerized job banks in San Francisco and Los Angeles. By the end of fiscal year 1971-72, nine job banks will serve all metropolitan areas in the state, representing 83 percent of the total state labor force. The Work Incentive Program (WIN) will be expanded to increase the training slots from 16,800 to 17,600, which will provide comprehensive manpower services to an additional 1,400

welfare recipients. A nine-million dollar contract with the Manpower Administration will provide for implementation of intensive job development projects, affecting many workers displaced in the aerospace and scientific fields.

In the tax collection and insurance payments program, extended duration of federal benefits, were triggered "on" in December 1970 and the state's extended duration will probably trigger "on" in February 1971. An embossed card payment system has been tested locally, and in fiscal year 1971-72 will replace local cash pay, bank pay orders, and central mail pay systems. Partial reorganization of division offices under a district office system will provide better public service at no additional cost.

In the Farm Labor Services Program, services will be expanded to include both agricultural and nonagricultural workers and employers in all rural areas.

The Office of Economic Opportunity (OEO) is currently planning to conduct demonstration programs to test the validity of certain innovative approaches to the problems of poverty in the state, including collection of data to measure the magnitude and severity of poverty by geographic areas, compilation of available federal, state, local and private resources, and the matching of available resources to problems.

Department of Corrections

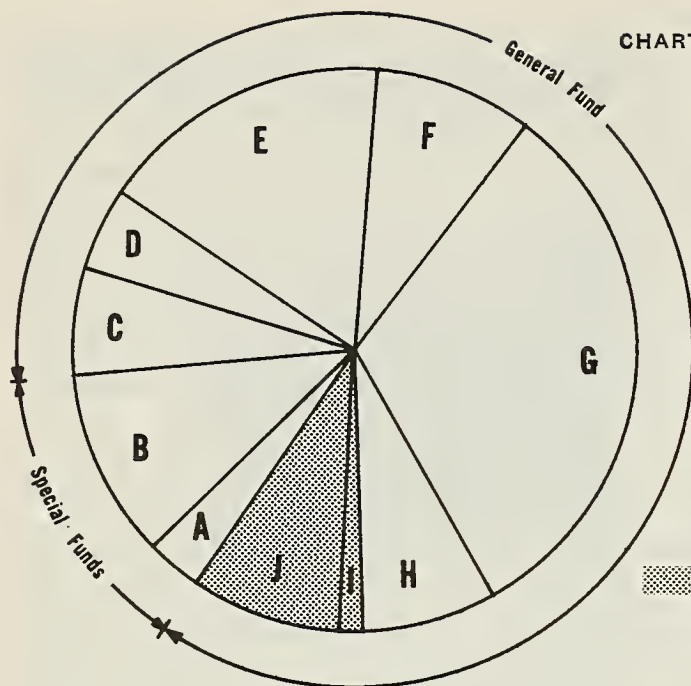
Revised estimates and recent trends indicate the institution population of the department will not be as high as last year's predictions. Current estimates place the population at approximately 27,000 for 1971-72 as compared to a prediction of 29,831 for June 30, 1972 in last year's budget. This lower population permits the department to close the California Men's Colony-west facility during 1970-71 by moving these older inmates to other facilities with available space.

In contrast to the institution population, parole population in California communities will increase this year to approximately 18,000. Much of this parole increase is due to policy modification by the releasing authorities who determine when inmates are ready for return to the community under parole supervision. The department has contributed to this in several ways. Improved parole supervision and fewer cases per parole agent for about one-third of the total releases assures closer contact with each parolee to either assist him in community reorientation or return him to prison for violations of parole conditions before he can commit new crimes. This strengthened parole, known as work unit supervision, reduces the caseload from 70 per agent to 35.

Another condition favorable to earlier releases from the institutions is the psychiatric care provided through departmental psychiatric outpatient clinics. Having these services available, when the releasing authorities require such as a condition of parole, further contributes to assurances of safe community release.

The institutions also assist in release success through their programs of psychotherapy and counseling, education and work experience to prepare the inmates, in the shortest possible time, for return to the community as a contributing member of society.

CHART 10



THE CORRECTIONAL DOLLAR PERCENT EXPENDITURES (GROSS) 1971-72

General Fund		Special Funds	
Function	Expenditures (Millions)	Percent	
Institution Operations			
A. Inmate Canteen and Welfare Benefits	\$3.7	3.0	
B. Industrial Enterprises	13.3	10.8	
C. Behavioral Modification	7.6	6.2	
D. Education and Training	6.0	4.9	
E. Inmate Maintenance and Work Projects	20.6	16.7	
F. Feeding	11.0	8.9	
G. Security	39.1	31.8	
H. Intake and Release Processing	9.5	7.7	
Community Operations			
I. Community Services	1.5	1.2	
J. Parole Supervision	10.8	8.8	

As shown in the above chart, almost one-third of the department's expenditures is for security purposes. In addition, expenditures for community services and parole supervision outside the institutions is now at 10 percent, reflecting the increasing parole population.

Operations during 1971-72 will continue at the most economical level consistent with the rehabilitation of inmates and secure supervision of parolees. No major program augmentations are proposed. However, an increase of \$3.4 million will be necessary to fund improved employee retirement benefits required under Chapter 1600, Statutes of 1970.

Department of the Youth Authority

Population in Youth Authority institutions is projected for a slight decrease in 1971-72, while a slight increase is projected for parole population. The Probation Subsidy Program will be increased by \$1,150,000, to a level of \$15,900,000 in the budget year. This local assistance program, which emphasizes local supervision and treatment of offenders on probation, is one of the main reasons for the dramatic decline in the commitment rates of offenders to the Department of the Youth Authority and the Department of Corrections.

The result of the drop in commitment rates to the Department of the Youth Authority is a decrease in the requirement for bed capacity in existing facilities. Because of this, the department will be able to close Fricot Ranch School for Boys during the 1970-71 fiscal year.

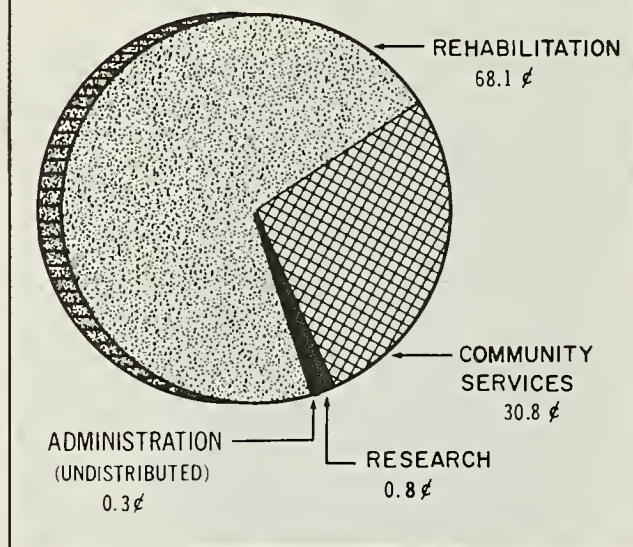
The Department of the Youth Authority will continue its efforts to support programs that divert youthful offenders and potential offenders from the criminal justice system. Fifteen delinquency prevention projects were established during 1970 in counties throughout the state, financed by \$200,000 in state

funds and augmented by almost \$1,000,000 in federal funds. An appropriation of \$200,000 is proposed for 1971-72 which will be used to match federal funds as in 1970.

As shown in the following chart, approximately two-thirds of the Youth Authority expenditure dollar provides rehabilitative services to wards committed to the department. Approximately one-third of the remaining Youth Authority expenditure dollar provides

CHART 11

YOUTH AUTHORITY DOLLAR ... and how it is spent



supportive services, primarily financial assistance to local jurisdictions for such programs as Special Probation Supervision, County Camps, Ranches and Homes, and Delinquency Prevention projects.

Department of Rehabilitation

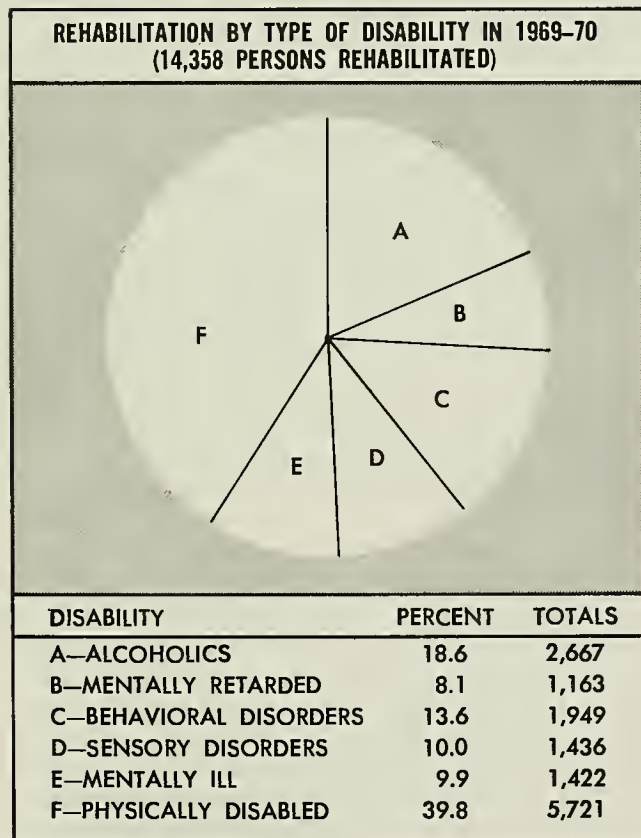
A total of 14,358 disabled persons were rehabilitated in 1969-70. The dollar benefits will continue far beyond the period required to recover the cost of service. The cost of rehabilitation in 1969-70 was \$34,528,000, while savings are estimated at \$7,260,000. In 1970-71 it is expected that 14,000 persons will be rehabilitated and in 1971-72, 15,800 disabled persons are estimated to be rehabilitated to a nongovernmental cost status.

Community services to alcoholics will be increased with the goal to reduce the number of nonpsychotic alcoholic patients now being treated in state hospitals.

In 1971-72, additional emphasis will be directed to rehabilitating the public offender. Primary emphasis will be directed toward persons who have been released from state institutionalization, although additional programs are also anticipated in the schools of the correctional system.

Sponsors from the private industrial area will be authorized to assume management of Industrial Rehabilitation Services. This type of management has proven successful in the past, especially for the individual workers. Initially, some grants will be available to activate and sustain the transfer, if necessary.

CHART 12



Department of Public Health

Through its four major programs, the Department of Public Health identifies new and changing health problems, develops improved techniques for prevention and control of disease and environmental problems, provides and assures high-quality health services, and emphasizes community and individual participation in developing and implementing health programs and services.

Federal funds account for approximately 47 percent of the department's 1971-72 budget, including grants-in-aid, Medicare reimbursement, and support of the special projects program. Of all funds, over 80 percent will be spent at the community level, through direct financial assistance or purchase of health services.

The individual California citizen has little direct influence over most environmental health hazards or the quality and safety of consumer goods. *Environmental Health and Consumer Protection Services* carries out measures to detect and deal with such problems before they emerge or reach critical stages, in such areas as foods and drugs, radiation, domestic water and sewage disposal systems, solid waste, vector-borne disease, and occupational hazards including pesticides.

Preventive Medical Services is the focal point in the department for planning and action to improve personal health services in California. It develops and implements methods and services for control or amelioration of chronic and communicable diseases, and administers funds which purchase health services for crippled children, infants and mothers, and high-risk groups such as California's Indians. Under 1969 legislation, services to the mentally retarded and their families have been expanded, and a coordinated interdepartmental program is being developed through the Human Relations agency. The 1971-72 Budget proposes an increase in the General Fund support for regional mental retardation centers of approximately \$2,000,000. The department will fund a minimum of nine centers in the budget year. In addition the department has assumed a new program responsibility for coordinating the development of a statewide emergency medical care system.

Community Health Services is the department's primary channel to local health agencies for financial and technical assistance which support planning and high-quality operations of a wide variety of health facilities and services. Health facility licensing and certification, and planning and construction, are among the major responsibilities of this program.

Nearly 90 percent of *Community Health Services*' funds, and 87 percent of *Preventive Medical Services*' funds, will be used at the local level in 1971-72.

Enactment of the federal "Partnership for Health" program in 1966 (P.L. 89-749) charted a new course for the development of health care throughout the nation. This law, together with subsequent state legislation, provides the framework for relating the state's health planning efforts to its overall needs and resources. The department's *Office of Comprehensive Health Planning* conducts this program, with emphasis on long-range health needs, directions, and priorities.

Department of Industrial Relations

The Department of Industrial Relations contributes toward improvement of working conditions of wage earners in the state, including mediation or arbitration of labor disputes, adjudication of claims under the Workmen's Compensation Law, and the enforcement of standards of safety in all phases of industrial activity.

Apprenticeship training programs providing opportunities for profitable employment, particularly to younger citizens of the state, are monitored in coop-

eration with the federal government under Title 38, U.S. Code (Vietnam G.I. Bill).

Additionally, the state maintains an apprenticeship promotion and development program through the establishment and maintenance of standards under which labor and management cooperatively conduct apprenticeship training.

The Labor Statistics program provides a wide variety of reports and statistical material which measure the economic health of the state and aid in planning, marketing and labor force decisions of both state and local governments and business organizations in the private sector.



Education

California continues to lead every state in the nation in the number of youths and adults enrolled in its public education system—from preschool through university graduate school. More than one-fourth of all Californians (5,600,000) are actively pursuing their educational objectives by full-time or part-time attendance in the public schools. Chart 13 displays the pattern of enrollment. It also shows the state tax dollars which are supplied to the public schools.

Those enrolled in education reflect the ever changing nature of California's society. There is a greater awareness of the problems and issues confronting our state and its citizens and an increasing desire and need to gain the knowledge to help deal with those issues.

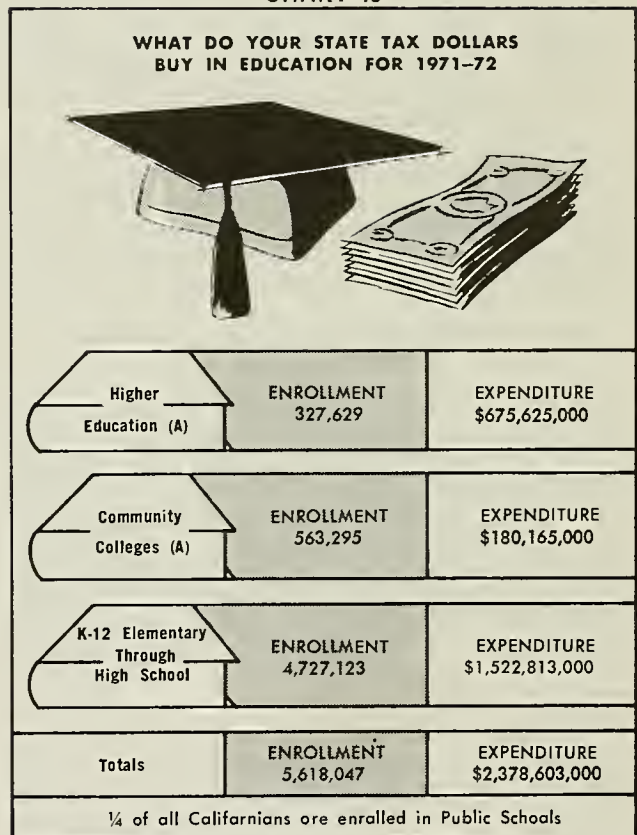
A recent and significant trend in California is the decline in the rate of population growth. This has been due both to reduced births and changing migration patterns. Chart 14 shows the impact of these changes in various age groups. The slowing of population growth is beginning to reflect in lower total enrollments in the elementary grade levels in California. This trend will eventually carry through and have a similar impact in higher education in the first half of the 1980's.

At the present time the University, state colleges, and the community colleges are expanding at a significant rate as the total college age group and the proportion of that age group going to college both increase.

The combination of decreasing enrollment pressure on the elementary level of the education system and increasing enrollment pressure on higher education presents decision makers both an opportunity to enhance the quality of education and the challenge to hold the line on the overall cost to the taxpayer.

In recognition of these changing conditions, an intensive effort has been made during the past year to examine both the outputs and the underlying assumptions which form the basis of costs in education and higher education.

CHART 13

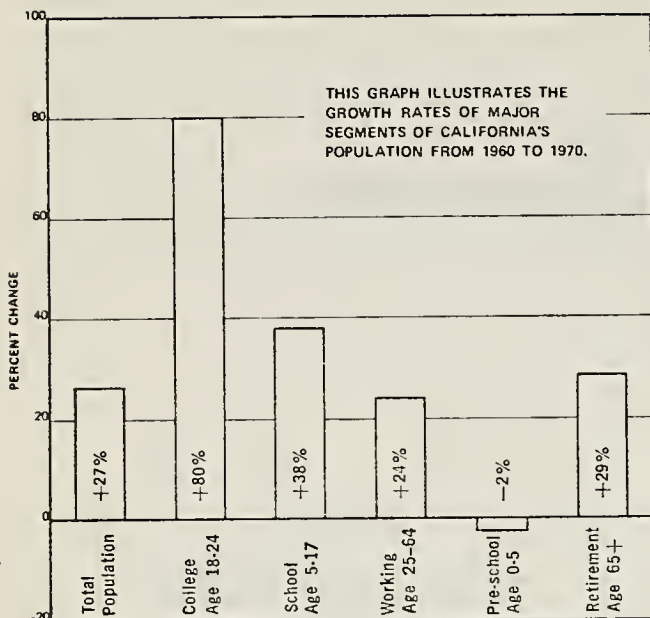


(A) Does not include capital construction funds.

Education K-12

Education K-12 activities represent the largest block of state expenditures for education. Since programs are administered by local school districts, it is difficult, with the present data system, to determine how equitably and effectively the state dollars have been spent. During the past year, efforts have been underway to examine in depth the effectiveness of the current system for allocating state aid to public schools, the management efficiency of the local school district, the direction of education

CHART 14
CALIFORNIA GROWTH RATE 1960 TO 1970



SOURCE: CALIFORNIA DEPARTMENT OF FINANCE
FINANCIAL AND POPULATION RESEARCH SECTION

in the 70's, and the system needed to assess the accomplishments in education. It is hoped that during the 1971-72 legislative session the results of these studies can be evaluated in light of improving the quality of public education in California.

PRESENT SYSTEM OF FINANCING CALIFORNIA'S PUBLIC SCHOOLS

Through the apportionment of state moneys, the state shares with the local school district the responsibility for maintaining the public school system. State funds are distributed through the principal apportionment. Additional state aid is given in the form of transportation allowances, free textbooks, education programs for the handicapped and disabled and other education programs to meet specific needs. The apportionment covers kindergarten through grade 12 and community college programs.

Foundation Program

The state guarantees a minimum level of support for education by assuring that the combination of the state and local funds meets a level defined as the Foundation Program. The state portion of the Foundation Program consists of basic aid and equalization aid. Further state aid is given to low-wealth districts in the form of supplemental support. The Foundation Program defines the level of support for a district in the amount of state aid necessary to meet that level. In 1970-71, the Foundation Program for large districts was established at \$488 for high schools ADA and \$355 for elementary ADA. ADA means average daily attendance and is a means of determining the pupil attendance of the schools. The amount of state aid is determined by subtracting from the foundation level the amount raised by a defined level

of local property tax. The amount raised by the property tax is referred to as district aid. Factors such as school size, district unification, and district size affect the level of the Foundation Program in a particular district.

Basic Aid

The Constitution requires that the public school system shall receive \$120 in state aid per ADA. The Legislature has modified this to provide a flat rate of \$125 per ADA to be given to each district regardless of its wealth. In 1971-72, \$665,561,500 in basic aid will be distributed by the state to 1,070 elementary, high school and unified school districts.

Equalization Aid

The state equalizes educational resources by guaranteeing districts whose district aid, together with the state basic aid, is insufficient to meet the level defined by the Foundation Program. The amount of equalization aid which a district receives is determined by subtracting the amount of district aid plus the basic aid of \$125 per ADA from the foundation level. In 1971-72, \$580,370,358 of equalization aid will be distributed by the state to elementary, high school and unified school districts. Included in this amount is \$88 million for continuation of the equalization aid cost adjustment which was initially provided in the 1970-71 budget.

CHART 15

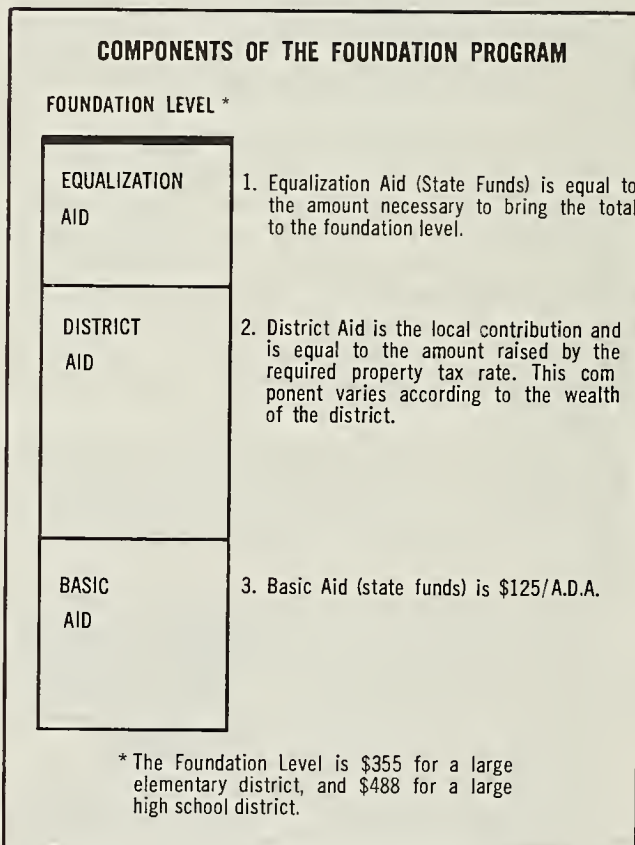


TABLE 3
Expenditures for Education
General Fund
(In Thousands)

EDUCATION	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Educational Research Com- mission -----	—	\$50	—
Department of Education --	\$17,773	18,975	\$18,566
State Teachers' Retirement	1,160	1,431	1,287
Totals, Support, Educa- tion -----	\$18,933	\$20,456	\$19,853
HIGHER EDUCATION			
Coordinating Council for Higher Education -----	\$510	\$432	\$458
University of California ---	329,334	337,090	337,090
Hastings College of Law ---	958	1,256	1,299
State Colleges -----	284,963	310,597	315,972
Maritime Academy -----	808	804	791
Board of Governors of the California Community Colleges -----	674	872	980
State Scholarship and Loan Commission -----	13,002	16,997	20,000
WICHE -----	15	15	15
Totals, Support, Higher Education -----	\$630,264	\$668,063	\$676,605
Local Assistance			
Apportionments for public schools -----	\$1,422,168	\$1,453,241	\$1,453,400
Apportionments for public schools—One-time "X factor" ¹ -----	30,293	—	—
Instructional television ---	696	725	800
Compensatory education ---	10,834	11,000	11,000
Educational Improvement Act—One-time "X fac- tor" ¹ -----	4,941	—	—
Public elementary school reading instruction -----	14,434	18,000	18,360
One-time "X factor" ¹ ---	7,974	—	—
Mathematics Improvement program ² -----	924	925	—
Children's centers -----	8,716	10,400	19,750
Grants to teachers of phys- ically handicapped minors	149	150	150
Loans to teachers of educa- tionally handicapped minors -----	50	—	—
State school lunch program	500	—	—
Free textbooks -----	22,693	21,307	17,828
Assistance to public libraries -----	1,252	1,000	800
Vocational education -----	720	1,330	800
Teachers' retirement ³ ---	79,000	91,000	98,000 ⁴
Debt service -----	47,376	51,514	57,907
Assistance to new junior colleges -----	—	—	—
Community Colleges Ex- tended Opportunity Pro- gram -----	2,940	4,505	3,350
Totals, Local Assistance, Continuing Program -----	\$1,655,660	\$1,665,097	\$1,682,145 ⁴
Totals, Local Assistance, One-Time "X Factor" -----	\$43,208	—	—
One-time "X factor" transfer to State Con- struction Program Fund ¹ -----	\$49,000	—	—

¹ One-year appropriation, only.

² The statutory authorization for the Mathematics Improvement Program expires at the end of the 1970-71 fiscal year.

³ Current cash obligation only and does not include the annual prospective debt incurred.

⁴ In the budget year this includes \$26,000 from the General Fund and \$72,000 from the Teachers' Retirement Fund for state funds for teachers' retirement contributions.

Supplemental Support

Supplemental support is given to districts whose wealth is extremely low and whose tax rate is at least equal to a required minimum local effort. The maximum supplemental support that any elementary school district can receive is \$125 ADA. In 1971-72, \$29,120,842 in supplemental aid will be distributed

by the state to elementary, high school and unified school districts. Chart 15 illustrates the sources of support within the Foundation Program.

Contribution to Teachers' Retirement System

The state will contribute \$98 million in 1971-72 for the major share of benefits for approximately 43,000 retired teachers. This amount has been increasing at a rapid rate in recent years and will continue to accelerate in future years. Current conservative estimates indicate this payment will be approximately \$850 million by 2006-2007.

Both school districts and the state share in the employer contributions. The manner in which this benefit is funded is not directly related to the determination of fringe benefits for teachers. This decision process does not provide the school districts as the viable policy-setting mechanism a means to determine the level of fringe benefits for teachers.

HIGHER EDUCATION

California is experiencing continued rapid growth in higher education enrollment. In the California State Colleges, the expected growth in 1971-72 is 18,525 FTE students. This represents the equivalent of one complete campus.

The University will experience a smaller but still significant gain of enrollment of 4,326 FTE. The enrollment in the Community Colleges is estimated to increase to 563,295 ADA.

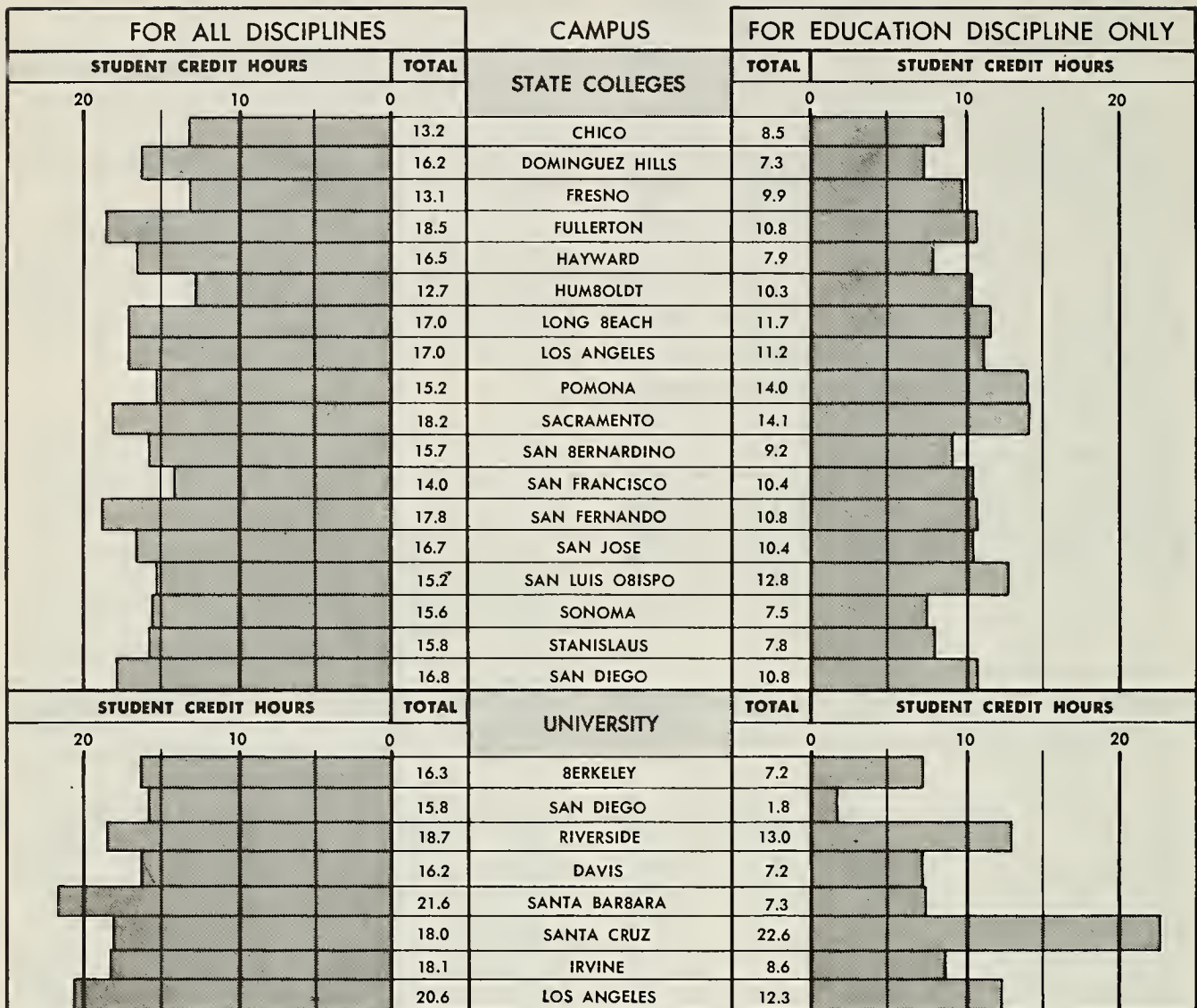
To meet the rising demands for higher education during the decade of the 1970's will require the University, State Colleges, and Community Colleges to explore every approach to increasing the productivity of higher education. Several possibilities for doing this have been suggested by leading scholars of the nation. The Carnegie Commission on Higher Education has recommended, for example, that college degrees be granted in three years instead of four. Studies conducted within California have identified several ways to increase the instructional productivity of California's segments of higher education.

Significant determinants of productivity are faculty, students, facilities, and courses. These can be examined in many ways, but one of the more significant indicators of productivity in higher education is the number of student credit-hours per faculty contact-hour. See Chart 16. Many factors influence this measure, including (1) the number and mix of graduate, upper division and lower division courses, (2) class size, (3) teaching methods employed, (4) the faculty workload in terms of class hours taught, and (5) capability of the students.

The issue for California is how can productivity of higher education be increased and the quality of education maintained. The answer to this question requires an intensive cost-effectiveness evaluation of the entire range of activity in higher education. For example, the experience of each segment, campus, and discipline, must be examined to see where and why significant variations or differences in productivity occur. Comparison of high-productivity programs on one campus with the low-productivity programs in the same discipline on other campuses may be helpful

CHART 16

AVERAGE STUDENT CREDIT HOUR PER FACULTY CONTACT HOUR



in revealing choices for decision makers. Decision makers can consider if the proportion of faculty time devoted to teaching low-productivity courses is as vital as teaching higher-productivity courses. The cost-benefit ratio in all programs can be analyzed to reveal other alternatives to attain the objectives of the educational program.

The 1971-72 budget of the California State Colleges recognizes that increases in productivity can be achieved through several important steps: (1) by having each faculty member teach up to the traditional classroom contact-hour standards; (2) by shifting the proportion of faculty time devoted to low productivity instructional activity through an increase in student-faculty classroom contact-hours; (3) by increasing average class size.

Through the analysis conducted on the instructional programs in the California State Colleges, it was possible to recommend a level of support which will admit and provide a program for an enrollment increase of 9 percent over the current year with a budget increase of 1.7 percent over the current year.

For the University it was possible through similar analysis to provide for a 4.3 percent increase in enrollment within the current-year level of support.

It is anticipated that additional productivity increases will be identified in the future as both the State Colleges and University devote more attention to these issues.

Another factor affecting productivity of higher education is facility utilization. Increasing the use of existing instruction space becomes more important each year as enrollments increase and the availability of funds for capital outlay purposes decreases.

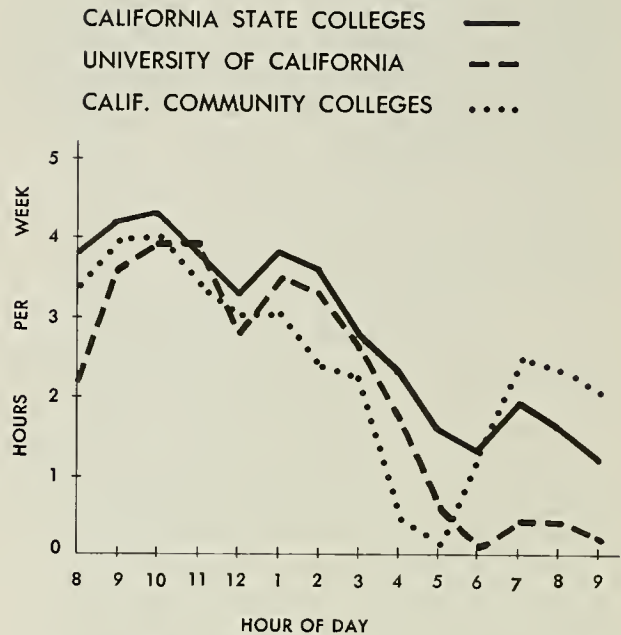
California has traditionally provided facilities for public institutions of higher education to meet enrollments projected for the daytime hours, 8 a.m. to 5 p.m., with the expectation that any additional enrollments resulting from an evening program would be accommodated in the same facilities. Since at least the late 1940's, varying standards have been set for the utilization of the classroom and class laboratories in these facilities.

The latest modification in the utilization standards was made by the Legislature in July 1970 through Assembly Concurrent Resolution 151, which directed that utilization rates for classrooms be applied to an 8 a.m. to 10 p.m., five-day week rather than the 8 a.m. to 5 p.m., five-day week traditionally used. The resolution, therefore, changed the utilization standard from 34 classroom hours per week out of a possible 45 to 53 hours per week out of a possible 70.

In their report, "1971-72 Inventory and Utilization Study for Public Higher Education, Fall 1969," the staff of the California Coordinating Council for Higher Education found that, among other things, (1) no segment achieved the weekly room-hour standard for classroom for either the 8 a.m. to 5 p.m. or the 8 a.m. to 10 p.m. period; (2) none of the segments achieves the weekly room-hour standard for either the lower division or upper division class laboratories for the 8 a.m. to 5 p.m. period; (3) utilization rates among the colleges within a segment vary widely. Chart 17 indicates the use of classrooms by hour in the three segments of California higher education in the fall of 1969. The chart shows that classroom usage

CHART 17

WEEKLY ROOM HOURS BY HOUR OF DAY CLASSROOMS FALL 1969



Source: CCHE report 1971-72 Inventory and Utilization Study for Public Higher Education, Fall 1969.

drops during late afternoon and evening hours. While these hours represent the less desirable times for scheduling, improved utilization during these hours provides an option to continued expenditures for new facilities.

Capital Outlay

State general funds for capital outlay in education and higher education are not provided in the 1971-72 budget. Bonds previously authorized for capital outlay purposes in the university and state colleges are fully committed and a bond issue for medical schools at the University was defeated last year. The balance of the uncommitted funds in the bond issue for construction in the community colleges, is included in the budget.

The continued growth of student enrollment together with the problems of funding capital outlay requires increased utilization of facilities in higher education.

In response to the action taken by the Board of Trustees of the California State Colleges, it is anticipated that legislation will be introduced during the 1971 Legislative Session which would establish an educational fee at the state colleges. If this legislation is successful, basic capital outlay needs for 1971-72 can be provided for, consistent with the policy already adopted by the Regents of the University of California.

Capital outlay expenditures for the state colleges in the amount of \$49,349,550 is proposed for the 1971-72 fiscal year. This total amount is from nonstate sources and will finance facilities such as residence halls, college unions, parking facilities, health centers and other special projects. Chapter 800, Statutes of 1970, established a special fund, "State College Facilities Revenue Fund" to finance student health centers and at the same time mandated these projects to be approved by the Legislature. Student health centers projects in the amount of \$12,852,300 are proposed for the 1971-72 fiscal year.

The proposed capital outlay program for the university in 1971-72 totals \$44,402,690. \$20,707,690 is provided for the general campuses and \$23,695,000 for health science facilities. \$23,900,000 of this amount is to be financed from education fee funds; \$14,356,000 is from federal sources; \$1,407,690 is from university overhead funds, and \$4,739,000 is from other nonstate sources.

Included in the 1971-72 budget for the Community Colleges is a proposed capital outlay program of \$18,262,849. Of this amount, the state's share is \$10,510,959, and will be matched by \$7,751,890 of district funds.

State Construction Programs

Capital outlay construction is divided into six basic programs. The most encompassing is the State Building Program which includes projected capital outlay requirements for publicly supported higher education, mental hygiene, corrections, and for office space. It also provides for meeting the requirements of such agencies as the Department of Conservation, Military Department, and the Department of General Services.

The State Highway Program is a quasi-legislative program designed to provide a safe, efficient, serviceable, and environmentally compatible system of state highways which will connect all major population centers and will provide for continuity of travel throughout the state and connect with major highways in adjacent states.

The District Fair Construction Program provides the funding for construction of facilities for district agricultural associations. The details of these projects will be found in a supplemental budget volume containing the budgets of the individual fairs.

The Wildlife Conservation Program, as administered by the Department of Fish and Game and the Wildlife Conservation Board, provides for the protection, propagation, and management of the state's fish and wildlife resources.

The Parks and Recreation Acquisition and Development Program consists of the continuing development of facilities to meet California's recreational needs. The 1971-72 budget of this program includes funds from the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964 and from the new Recreation and Fish and Wildlife Enhancement Bond Act, approved by the voters in last November's election.

The California Water Facilities Program reflects the funding of the State Water Project as it enters its 10th year. The work under contract or completed on this project represents over 90 percent of the total project.

The sources from which the capital outlay budget is funded are described below:

1. Current revenues and any accumulated balances in governmental cost funds. These are moneys collected in the form of taxes, license and permit fees, interest on investments, and similar items of income.
2. The proceeds from the sale of general obligation bonds which bonds are secured by the "full faith

and credit" of the state. Outstanding bonds of this kind are (a) State Construction Program bonds, and (b) State Beach, Park, Recreational, and Historical Facilities bonds. The repayment of principal and interest on such indebtedness constitutes a preferred claim on the financial resources of the state. Within this classification falls a special category referred to as "self-liquidating" bonds. Bonds in this category are the California Water Resources development bonds. In the case of this special grouping, such bonds although legally possessed by the characteristics of general obligation bonds are serviced from the revenues produced by the ventures or projects financed in this manner.

3. Revenue bonds are those that are secured solely by the income derived from the use or operation of the facilities funded by this method.
4. Trust certificates represent a form of capital financing which makes use of the large balances accumulated in trust accounts or funds of the state. Because such funds are dedicated to meet future obligations, sound fiscal management dictates the investment of the currently unneeded cash in these accounts and funds. One way of investing these moneys is by the purchase of trust certificates issued by the state for the construction of general purpose office buildings.
5. Nonstate funds such as endowments, grants, and certain other funds as payments of overhead charges on research projects conducted by the University represent yet another source of capital financing.

To provide a complete and comprehensive picture of the state's capital outlay program all proposed projects are included in the capital budget regardless of the source of financing.

Following the generally accepted principles of governmental accounting, however, only expenditures from governmental cost funds are included in the budget totals. Expenditures from bond proceeds and other forms of borrowing are excluded—such expenditures are reported as expenditures of the fiscal years in which the payments on principal and interest are made.

Revenue Estimates

State revenues during the 1971-72 fiscal year are estimated at \$6,536,854,393, approximately \$493 million above the amount anticipated during the current year, and \$794 million more than received during 1969-70. Of the \$6,536,854,000 *, approximately \$5,032,925,000 is for the General Fund and \$1,503,929,000 accrues to the various special funds.

Tax yields generally follow changes in economic activity. The increase in estimated revenue for 1971-72 over the current year reflects almost full economic recovery, bringing with it higher corporate profits, a reduced savings rate, improved housing and a substantial increase in personal income of Californians.

The revenue estimates assume continued price increases in 1971 and 1972 but at slower rates.

Revenue for the General Fund in 1971-1972 is estimated at \$5,032,925,000 or \$470,335,000 more than the current year and \$705,656,000 above the amount reported for 1969-70. Receipts in 1969-70 reflect the 10 percent income tax reduction sponsored by the Governor which saved California taxpayers \$82.6 million.

Actual 1969-70 receipts exceeded the original budget estimate, prepared 18 months earlier, by less than seven-tenths of 1 percent and were less than four-tenths of 1 percent below the estimate shown in last year's budget.

Estimated receipts for the special funds total \$1,503,929,000 or \$22,898,000 more than the current fiscal year and \$88,755,000 more than was received during 1969-70. Highway user levies make up the

bulk of special fund revenue. A temporary 1-cent gasoline tax increase in effect from June 1, through August 31, needed to finance repairs to roads damaged by floods in early 1969, inflated 1969-70 gasoline tax revenue by \$14,882,000.

Receipts for the General Fund and special funds for 1969-70, 1970-71 and the budget year are shown in Table 4.

REVISED ESTIMATES

In last year's budget, revenue for 1970-71 was estimated at \$6,123,486,000, of which \$4,704,128,000 was for the General Fund and \$1,419,358,000 for all special funds. Legislation enacted during the 1970 session added \$3.2 million in General Fund receipts and \$3.9 million in special fund revenue.

Economists were divided as to the 1970 economic outlook at the time last year's budget was being prepared. Those who believe that the money supply is of utmost importance (monetarists) predicted a recession with a gross national product of \$970 billion. The nonmonetarists, however, thought that real economic growth would continue and that GNP would total \$990 billion for the year.

Because each of these outlooks would have had a different impact on state revenue, two sets of estimates were prepared for the five revenue sources affected most by these different assumptions: sales and use taxes, personal income tax, bank and corporation taxes, inheritance tax and interest income. In order to minimize the maximum error, the average of the two estimates was used. This was a good decision as 1970 GNP is now estimated at \$977 billion, almost midway between the two forecasts.

Other considerations, however, will cause 1970-71 revenues to fall below the estimate prepared a year ago, the most important being the timing of the economic recovery. Last year's estimates were predicated upon a recovery starting in the third quarter of 1970. The current estimates assume a recovery beginning in the spring of 1971. In addition, the following economic factors are reducing receipts in 1970-71: (1) the high personal savings rate, (2) the General Motors strike, (3) lower than expected wage and salary income, and (4) depressed corporate profits.

Despite the fact that the average of last year's high and low estimates of total California personal income for 1970 is virtually the same as the current estimate, the distribution of income by components is different—less wages and salaries, more transfer payments. These factors contributed to the reductions in 1970-71 revenues now forecast.

TABLE 4
State Revenue Collections
(In millions)

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72	Percent of total 1971-72
Taxes, fees, etc.				
General Fund:				
Sales and use	\$1,753.6	\$1,810.0	\$1,970.0	30.1
Personal income	1,152.1	1,335.0	1,510.0	23.1
Bank and corporation	587.0	545.0	616.0	9.4
Inheritance and gift	164.3	176.7	202.4	3.1
Insurance	136.7	153.3	175.3	2.7
Cigarette	166.0	170.0	174.5	2.7
Alcoholic beverage	112.9	114.7	120.0	1.8
Horse racing	49.3	59.5	65.3	1.0
Private car	3.7	4.1	4.4	0.1
Other sources	201.7	194.3	195.0	3.0
Totals, General Fund	\$4,327.3	\$4,562.6	\$5,032.9	77.0
Special Funds:				
Motor Vehicle:				
Fuels	\$668.5	\$682.6	\$716.3	11.0
Registration, weight, etc.	268.3	282.6	298.2	4.6
License fee	230.6	247.5	262.4	4.0
Transportation	23.5	25.0	26.6	0.4
Cigarette	70.9	73.0	74.5	1.1
Alcoholic beverage	12.4	13.0	13.0	0.2
Horse racing	8.9	8.5	8.9	0.1
Other sources	131.9	148.8	104.0	1.6
Totals, Special Funds	\$1,415.2	\$1,481.0	\$1,503.9	23.0
TOTALS	\$5,742.4	\$6,043.6	\$6,536.9	100.0

* This and subsequent dollar amounts have been rounded. Totals, differences and percentages have been computed from whole numbers.

A summary of the original estimates adjusted for legislation, and the revised estimates shown in this budget are given in Table 5.

TABLE 5
COMPARISON OF ORIGINAL AND REVISED
ESTIMATES OF STATE REVENUE 1970-71
(In millions)

	Original *	Revised	Change	
			Amount	Percent
Taxes, fees, etc.				
Alcoholic beverage	\$129.2	\$127.7	-\$1.5	-1.2
Bank and corporation	582.5	545.0	-37.5	-6.4
Cigarette	228.0	243.0	15.0	6.6
Horse racing	68.5	68.0	-0.5	-0.8
Inheritance and gift	184.0	176.7	-7.3	-4.0
Insurance	151.8	153.3	1.5	1.0
Motor Vehicle:				
Fuel	670.2	682.6	12.4	1.9
License	250.0	247.5	-2.5	-1.0
Registration, weight, etc.	276.7	282.6	5.9	2.1
Transportation	25.0	25.0	-	-
Personal income	1,419.5	1,335.0	-\$84.5	-6.0
Private car	3.8	4.1	0.3	7.9
Sales and use	1,848.4	1,810.0	-\$38.4	-2.1
Totals, Taxes	\$5,837.6	\$5,700.5	-\$137.0	-2.3
Other revenue	293.0	343.1	50.1	17.1
Totals, Revenue	\$6,130.6	\$6,043.6	-\$86.9	-1.4
General Fund	4,707.3	4,562.6	-144.8	-3.1
Special funds	1,423.2	1,481.0	57.8	4.1

* Adjusted for legislation enacted in the 1970 Regular Session.

NATIONAL ECONOMIC OUTLOOK

The 1971 economic outlook, used in developing the 1971-72 budget revenue forecasts, is based on three major assumptions:

1. Monetary policy will be eased during 1971, to further strengthen the lending position of financial institutions.

2. Fiscal policy will be stimulative on a selective basis. Increased funds will be made available to support the housing market and other civilian sectors. Defense spending will continue to decline as the Vietnam war is scaled down. Cuts in procurement of goods will more than offset pay raises.

3. Inflationary pressures will continue although there will be some easing in the rate of price increases.

Gross national product is forecast at \$1,046 billion in 1971, an increase of \$69 billion (7.1 percent) from 1970. Personal consumption expenditures are projected at \$664 billion, an increase of \$47 billion. Strong growth is anticipated in sales of durables (+\$9 billion) as most of the auto sales deferred during the fourth quarter of 1970 are made up and sales of furnishings and household appliances increase as a result of the improvement in home building. Expenditures on nondurable goods are expected to rise slightly less rapidly in 1971 than in 1970. Services will increase at approximately long-term rates.

Trends in the investment sector will be mixed. Residential building is expected to be up sharply this year. Recent moves to lower interest rates on mortgages are likely to increase demand for new housing and stimulate the turnover of existing homes. It is estimated that 1,550,000 private housing units will be started in 1971, up from 1,462,700 in 1970. With an increasing proportion of single units, residential investment is forecast at \$35 billion, a gain of 17.8 percent from 1970. In contrast, only a slight gain is anticipated for investment in nonresidential structures and producers' durable equipment.

Investment in inventories will rise from the unusually low level of 1970, bolstered by replacement of auto stocks depleted during the 1970 General Motors strike and hedge buying of steel in anticipation of a strike after July 31. For the year, inventories are expected to increase by \$8 billion.

It is likely that restraints on federal spending will continue in 1971. Defense expenditures have fallen since the fourth quarter of 1969 and are likely to ease further before leveling, possibly in the second half of this year. For the year as a whole, the defense component will be \$5 billion less than in 1970. Other federal expenditures will rise substantially. State and local spending is expected to increase at a slightly faster rate next year as a result of easing in allowable interest rates which may be paid on state and local debt issues.

The labor force will grow by 2.3 percent. Employment, however, is expected to rise by only 1.5 percent during the year, as increases in production will be achieved first by more intensive utilization of workers currently employed and a greater use of overtime before new persons are added to the work force. Unemployment will therefore average 4.8 million for the year, or 5.7 percent of the labor force. This is slightly below the year-end 1970 rate.

Personal income is expected to rise 6.6 percent to \$854 billion, an increase of \$53 billion. Most of the increase will be accounted for by three components: wages and salaries, up \$36 billion; transfer payments, +\$11 billion; and interest income, +\$5 billion. Gains in other components will be relatively small. Contributions for social insurance are estimated up \$5 billion as a result of the higher rate for social security contributions effective January 1, 1971.

Changes made by the Tax Reform Act of 1969 will hold down the growth in personal taxes by about \$3 or \$3.5 billion from what would have been projected had the act not been in effect. Disposable income has been forecast at \$735 billion. With personal outlays at \$683.6 billion, personal savings will amount to \$51.4 billion and the savings rate to 7.0 percent. At this level, the savings rate will be down slightly from the 1970 average of 7.3 percent. This will provide support for the relatively stronger levels of personal consumption forecast for the year.

Corporate profits will improve with higher levels of production and sales. Profits for 1971 are estimated at \$90 billion, an increase of 8.6 percent from 1970. The more moderate price rises forecast for the year will hold the inventory valuation adjustment to \$4.5 billion.

Although easing of inflationary pressures is likely, price increases will nevertheless remain high. With prices in broad (GNP) terms up 4.2 percent for the year, the increase in real GNP will amount to 2.8 percent. The consumer price index is forecast up 4.6 percent. Wholesale prices have shown some softness in recent months, particularly prices for sensitive raw industrial materials. This slowdown should be reflected in the overall wholesale price index during the coming year. The increase in wholesale prices, therefore, has been estimated at 0.3 percent for 1971.

The outlook for 1972 is for continued strengthening of economic activity. Gross national product is

TABLE 6
ECONOMIC DATA
(Dollar amounts in billions)

National Data	1969 Actual	1970		1971	
		Estimated	Percent change	Forecast	Percent change
Gross national product -----	\$981.4	\$976.8	4.9	\$1,046.0	7.1
Personal consumption expenditures -----	577.5	616.8	6.8	664.0	7.7
Durable goods -----	90.0	89.4	-0.7	98.0	9.6
Nondurables -----	245.8	264.7	7.7	280.5	6.0
Services -----	241.6	262.7	8.7	285.5	8.7
Private investment -----	139.8	135.8	-2.9	148.0	9.0
Fixed investment -----	131.4	132.2	0.6	140.0	5.9
Residential -----	32.0	29.7	-7.2	35.0	17.8
Other -----	33.8	35.1	3.8	36.0	2.6
Producers' durable equipment -----	65.5	67.4	2.9	69.0	2.4
Change in inventories -----	8.5	3.6	-	8.0	-
Net exports -----	1.9	3.6	89.5	4.0	11.1
Government purchases -----	212.2	220.5	3.9	230.0	4.3
Federal -----	101.3	99.7	-1.6	96.5	-3.2
Defense -----	78.8	76.6	-2.8	71.5	-6.7
Other -----	22.6	23.1	2.2	25.0	8.2
State and local -----	110.8	120.8	9.0	133.5	10.5
Personal income -----	\$748.9	\$801.0	7.0	\$854.0	6.6
Less personal taxes -----	117.3	116.3	-0.9	119.0	2.3
Federal -----	95.9	91.7	-4.4	91.5	-0.2
State -----	21.4	24.6	15.0	27.5	11.8
Disposable income -----	631.6	684.7	8.4	735.0	7.3
Savings -----	37.6	50.0	33.0	51.4	2.8
Percent of disposable income -----	6.0	7.3	-	7.0	-
Corporate profits before taxes and inventory valuation adjustment	\$85.8	\$77.5	-9.7	\$85.5	10.3
Consumer price index (1957-59=100) -----	127.7	135.3	6.0	141.5	4.6
Wholesale price index (1957-59=100) -----	113.0	117.1	3.6	117.5	0.3
Index of industrial production (1957-59=100) -----	172.8	168.6	-2.4	176.0	4.4
Civilian labor force (000) -----	80,733	82,715	2.5	84,610	2.3
Employed (000) -----	77,902	78,627	0.9	79,770	1.5
Unemployed (000) -----	2,831	4,088	44.4	4,840	18.4
Unemployment rate (%) -----	3.5	4.9	-	5.7	-
California Data					
Personal income -----	\$83.4	\$88.9	6.6	\$94.3	6.1
Wages and salaries -----	57.0	59.7	4.7	62.9	5.2
Other labor income -----	2.9	3.1	6.2	3.3	6.8
Proprietors' income -----	6.9	7.2	3.7	7.4	2.6
Property income -----	11.6	12.4	7.0	13.2	6.3
Transfer payments -----	8.1	9.8	21.0	11.4	16.4
Less personal contributions for social insurance -----	3.1	3.3	5.6	3.8	14.6
Personal taxes -----	11.4	10.9	-4.7	10.9	0.2
Federal income tax -----	10.3	9.7	-5.6	9.5	-2.3
State income tax -----	1.1	1.2	2.7	1.4	21.7
Disposable income ^a -----	72.0	78.0	8.4	83.4	6.9
Taxable corporate profits -----	7.3	6.8	-6.9	7.5	10.3
Civilian labor force (000) -----	8,388	8,611	2.7	8,800	2.2
Employed (000) -----	8,016	8,091	0.9	8,180	1.1
Unemployed (000) -----	372	520	39.8	620	19.2
Unemployment rate (%) -----	4.4	6.0	-	7.0	-
Number of building permits (000) -----	183.3	190.0	3.7	190.0	n.c.
New car sales (000) -----	976	874	-10.4	950	8.7
Taxable sales -----	\$42.4	\$43.5	2.6	\$46.4	6.7
Consumer price index (1957-59=100) -----	128.9	136.0	5.5	142.0	4.4

^a Disposable income of California residents represents personal income less federal and state personal income taxes. Other personal tax and nontax payments have not been deducted.

NOTE: Totals may not add due to rounding. Percentages have been computed from unrounded data.

forecast at \$1,130 billion, a gain of 8 percent. Personal income will reflect improvement in the employment situation, rising to \$920 billion. Corporate profits will reach \$100 billion. Further moderation of price increases will hold the gain in the consumer price index to about 3.5 percent.

CALIFORNIA OUTLOOK

California population is estimated at 20,218,000 for July 1, 1971, a rise of 215,000 (1.1 percent) from 1970. Natural increase will account for 190,000 of the gain, with net migration adding 25,000. It is expected that the number of military personnel stationed in California will be reduced by 20,000 during the coming year.

The California labor force is expected to average 8,800,000 for 1971, an increase of 189,000 (2.2 percent) from last year's level. Civilian employment will rise by 89,000 to 8,180,000. As a result of this moderate employment growth, unemployment will average 620,000, or 7 percent of the civilian labor force. The service, finance, and transportation-utility sectors will continue to grow at recent rates. Employment in trade will increase moderately. The government sector will rise by 28,000. This estimate assumes that federal civilian employment, which has been declining through most of 1970, will level out at current levels; for 1971 as a whole, however, the federal component will average 7,000 below the 1970 figure. Local government employment is projected up 35,000.

Manufacturing will continue to be weak during the entire year. Additional cuts are expected in aerospace employment as a result of further declines in federal expenditures for defense and space programs. It is anticipated, however, that month-to-month job reductions will become gradually smaller during the year, as employment is readjusted to levels which can be maintained with the level of contract awards anticipated. Aerospace employment is expected to average 430,000 for the year. Other manufacturing employment has been running below year-ago levels in recent months, and will not show increases on this basis until mid-1971.

Construction activity will lend strength to the California economy during the year. Recent easing in mortgage rates will add considerable support to building activity as mortgage funds remain readily available. The federal low-income housing programs will also contribute to residential building. It is estimated that 190,000 housing units will be built. Demand is particularly strong for moderately priced single-family homes. It is estimated that 85,000 single units will be authorized. Apartment construction, however, may be lower in 1971 than in 1970. There are indications that vacancy rates are starting to rise in some areas of the state, suggesting that the number of multiple units authorized may decline during the second half of 1971 as the supply of new units exceeds existing demand. The number of multiple units has been forecast at 105,000 for the year.

Personal income will rise to \$94.3 billion, up 6.1 percent from the \$88.9 billion level estimated for 1970. All the major components of income will be up during

the year, with the largest gains in wage and salary payments (up \$3.1 billion), transfer payments (+\$1.6 billion), and property income (+\$0.8 billion). Largely as a result of the continuing aerospace readjustment, however, the California share of national personal income will decline from 11.09 percent in 1970 to 11.04 percent in 1971.

The outlook for 1972 suggests an improved economic situation for California. Stability of employment in the aerospace sector will do much to improve the entire economic outlook. Personal income is forecast at \$102 billion, a gain of 8.2 percent. The California/U.S. income ratio is also likely to rise slightly during that year. With the labor force up 170,000 and employment rising to 8,420,000, the jobless rate is expected to decline to about 6 percent.

GENERAL FUND REVENUE

Three-fourths of aggregate state revenue is deposited in the General Fund. This includes collections from such levies as those on sales of tangible personal property, personal income, corporate profits, and insurance premiums. For the most part, these taxes are geared directly to business conditions. Hence, the estimates of revenue from each source flow directly from the economic assumptions outlined above. The influence of these economic factors upon the various tax bases and the methods used in preparing the budget revenue estimates are summarized in the following material.

Sales and Use Tax—\$1,970,000,000

A 4 percent tax is imposed on the sale or use of tangible personal property for final consumption in California. An additional 1 percent tax is collected by the state for cities and counties, but is not state revenue and is not included in the budget totals. Also excluded from budget totals are the temporary one-half of 1 percent taxes levied in San Francisco, Alameda, Contra Costa and Los Angeles Counties for support of rapid transit districts.

There are many exemptions from the sales tax, the most significant of which are food sold for off-premises consumption, motor vehicle fuel for highway use, prescription drugs, and gas, electricity and water supplied by utilities. Since the tax applies only to tangible personal property, sales of all types of services are excluded, as are sales of other intangibles such as patents, copyrights and securities. Because buildings are real property rather than personal property, no tax is levied on the sale or rental of a new or existing building, but the materials used in construction are subject to tax.

The final consumer may be a business instead of a person, so the tax base includes products for business use such as industrial machinery and office supplies.

Taxable sales in 1970 are estimated at \$43.5 billion, 2.6 percent above 1969. Adjusted to constant dollars to eliminate the effects of inflation, 1970 sales are expected to be 1.4 percent below the 1969 level—the first such decrease since 1958. The two weakest areas in 1970 were building materials and motor vehicles. The

motor vehicle group suffered from the General Motors strike, but much of this loss is expected to be recouped early in 1971.

All major categories except manufacturing and wholesaling are expected to show good increases in 1971. Taxable sales of the automotive group will be particularly strong, up 10 percent or twice the long-term average gain. Sales of building materials will also show a strong increase over 1970. The manufacturing and wholesaling group will have a smaller than average growth, in line with the forecast of moderate plant and equipment expenditures. Price increases, though less than in 1970, will still represent about half of the overall increase in 1971 taxable sales.

Sales in 1972 are expected to reflect an economy almost completely recovered from the 1970 recession with all components showing good gains. However, price rises will still account for one-third of the 1972 increase.

Taxable sales are estimated by two methods. One method utilizes a multiple regression equation to estimate total sales in constant dollars using as dependent variables personal disposable income in constant dollars, the number of wage and salary workers in manufacturing and construction, the number of new vehicles sold, and the savings rate. Sales in constant dollars are then converted to current dollars by application of the appropriate price factor. A second estimate is made by classifying taxable sales into 15 homogeneous groups, each of which is related to an economic factor. The two estimates are then reconciled. The final results are shown in Table 7.

TABLE 7
Taxable Sales in California
(In millions)

	1969 (Actual)	1970 (Est.)	Percent change	1971 (Est.)	Percent change	1972 (Est.)	Percent change
Retail stores except auto and building	\$19,542	\$20,341	4.1	\$21,720	6.8	\$23,415	7.8
Motor vehicle dealers, auto parts, etc.	7,131	6,906	-3.2	7,630	10.5	8,335	9.2
Building material outlets (retail manufacturing and wholesale)	4,427	4,481	1.2	4,900	9.4	5,250	7.1
Manufacturing, wholesaling and miscellaneous outlets	11,278	11,750	4.2	12,150	3.4	13,000	7.0
Totals	\$42,378	\$43,478	2.6	\$46,400	6.7	\$50,000	7.8

Sales and use tax receipts, including revenue attributable to audit activities of the Board of Equalization, are shown below:

1969-70 (actual)	\$1,753,611,000
1970-71 (estimated)	1,810,000,000
1971-72 (estimated)	1,970,000,000

Personal Income Tax—\$1,510,000,000

The personal income tax is the second largest producer of state revenue, exceeded only by the sales tax. The income tax is based on the amount of taxable income received by the taxpayer. Taxable income is computed by deducting from income either (1) all itemized deductions, or (2) the standard deduction of

\$1,000 for single returns or \$2,000 for joint returns. Once the taxable income is determined, progressive rates ranging from 1 percent on the first \$2,000 of taxable income (\$4,000 for joint returns) to 10 percent on taxable income in excess of \$14,000 (\$28,000 for joint returns) is imposed to yield the computed tax. A credit of \$25 for single returns or \$50 for joint returns plus \$8 for each dependent is allowed against the computed tax to derive the taxpayer's actual liability.

In 1969, the Governor sponsored a one-time income tax reduction which reduced the tax due on 1969 incomes by 10 percent up to a limit of \$100 for single returns and \$200 for joint returns. The reduction was not applicable to the tax on income from estates, trusts or capital gains, and was allowed only to those who paid all their tax on time. This reduced tax revenue in 1969-70 by \$82.6 million.

Income tax revenue in the current and budget years is determined largely by the amount and type of income received by Californians in 1970 and 1971. In general, 62 percent of the revenue is attributable to wage and salary income, 15 percent to business income, 12 percent to property income (dividends, interest, and rent), 8 percent to capital gains, and 3 percent to miscellaneous income. This distribution fluctuates from year to year in response to (1) changes in the total amount of income received from each source, and (2) shifts of income among income brackets.

Income from the various sources is distributed differently among income brackets and is therefore subject to different average tax rates. These variations are illustrated in Table 8.

TABLE 8
**Percent of Tax Attributable to Each Type
of Income by Income Class, 1969**

Adjusted gross income	Wage and salary	Business	Property	Capital gains
\$0- \$9,999	12.4	2.2	4.8	1.0
\$10,000-\$24,999	61.0	21.2	22.3	9.0
\$25,000-\$49,999	17.4	37.4	25.7	14.0
\$50,000-\$99,999	5.9	27.2	20.6	15.0
\$100,000 and over	3.3	12.0	26.6	61.0
	100.0	100.0	100.0	100.0

Since each type of income is distributed differently, the tax attributable to each is estimated separately because of the graduated rate structure. The estimates of tax attributable to wages and salaries, dividends, interest and business income are derived from equations relating receipts from each tax to its personal income component. The receipts from capital gains are estimated by an equation using the value and turnover of stocks listed on the New York Stock Exchange. Estimated tax from rental and miscellaneous income are based on an analysis of past trends.

After deriving the projected self-assessed tax adjusted for legislation, the estimated receipts from the Franchise Tax Board's audit activities are added and the total income year assessments are adjusted to a fiscal year basis. Total revenue for the years covered by this budget is shown below.

1969-70 (actual)	\$1,152,053,000
1970-71 (estimated)	1,335,000,000
1971-72 (estimated)	1,510,000,000

Bank and Corporation Tax—\$616,000,000

Revenue collections in the current and budget years depend upon corporate profits from operations in California during 1970 and 1971. Income for 1970 has been estimated from a carefully selected stratified sample of 942 corporations doing business in 61 industry classifications representing approximately 50 percent of the tax base. The sample indicated that all major industry groups, except services and financials subject to the bank tax, will decline from 1969 levels.

Two methods were used to estimate California corporate income for 1971. One involved an analysis of the ratios of California to United States corporate profits in the postwar period. In general, taxable corporate income in this state varies less from year to year than corporate profits nationally because a larger percentage of our income is outside the volatile manufacturing industries.

The second method involved the estimation of major industry components based on the economic outlook. Results from the two methods were reconciled and the estimated income by major industry groups are shown in the following table.

TABLE 9
Taxable Corporate Income in California *
(In millions)

Industry	1969	1970	Percent change	1971	Percent change
Agriculture	\$85	\$80	-5.9	\$80	-
Mining and oil production	231	220	-4.8	250	13.6
Construction	215	200	-7.0	220	10.0
Manufacturing	2,693	2,290	-15.0	2,650	15.7
Trade	1,536	1,490	-3.0	1,550	4.0
Service	496	520	4.8	560	7.7
Financials subject to bank tax	582	620	6.5	640	3.2
Real estate and other financials	506	430	-15.0	500	16.3
Utilities	999	886	-11.3	966	9.0
Other	4	4	-	4	-
Totals	\$7,347	\$6,740	-8.3	\$7,420	10.1

* These figures represent an estimate of income of corporations with fiscal periods ending August 1 through July 31 of the following year.

Estimated receipts during 1970-71 and 1971-72 were reduced by approximately \$2 million and \$7 million, respectively, as a result of the ruling by the California Public Utilities Commission which allows utility companies to use one method of depreciation for setting rates and another for computing tax liability. This decision will result in a substantial and increasing reduction in future bank and corporation tax receipts.

After adding payments attributable to audit activities of the Franchise Tax Board and adjusting for legislation, total revenue is estimated as follows:

1969-70 (actual)	\$587,013,000
1970-71 (estimated)	\$545,000,000
1971-72 (estimated)	\$616,000,000

Cigarette Tax—\$249,000,000

An excise tax of 10 cents per pack is levied on nonmilitary distributions of cigarettes in California. Seven cents of this tax is for the state's General Fund and three cents is returned to cities and counties. The decline in per capita cigarette consumption, which began with the 1964 Surgeon General's report and was accelerated by the 1967 tax increase, appears to have ended in 1970. For the first time in seven years per capita consumption of cigarettes increased from the previous year. It is anticipated that the rise

in per capita consumption will be moderate in 1971 and will level off in 1972.

Civilian per capita cigarette consumption is estimated at 126.2 packs for both 1971 and 1972. This compares with 125.2 packs for 1970 and 123.4 packs for 1969. Revenues based upon the above factors are as follows:

	(In thousands)		
	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Totals	\$236,878	\$243,000	\$249,000
General Fund	165,955	170,000	174,500
Special fund	70,922	73,000	74,500

Inheritance and Gift Taxes—\$202,400,000

The inheritance tax is imposed on the right to inherit or otherwise succeed to property after a benefactor's death or property transferred in contemplation of death. Any other transfer of property made with donative intent by an individual is taxed under the state's Gift Tax Law. Both laws vary the rates of taxation according to the size of the transfer and the relationship of the recipient to the decedent or donor. An exemption is granted to each class of donee, and this decreases as the relationship recedes. The amount of state revenue from these taxes is therefore contingent upon the number of transfers made during the year, the value of estates or gifts at the time of death or transfer, and the relationship between the decedent or donor and the beneficiary.

Legislation was enacted in 1967 to increase certain tax rates and decrease and consolidate tax exemption classes for both laws. It also required county treasurers to remit inheritance tax collections biweekly rather than bimonthly. Gift tax law changes were fully effective in 1968-69. Inheritance tax changes will not be fully reflected until 1970-71 because 24 months is allowed after death before payment becomes delinquent and subject to interest charges.

Common stock constitutes the major component of bequests subject to inheritance and gift taxes, with a significant portion of inheritances also in the form of real property. The inheritance tax estimate is based on a weighted average of Standard and Poor's 425 stock index and assessed property valuations, adjusted for the lag between deaths and tax payments. The estimate of the gift tax is based on the Standard and Poor industrial stock index only. Securities steadily declined in value through 1969-70, depressing the value of estates appraised during the year. The market then turned upward in mid-1970; this increase is expected to continue through 1971 and into 1972.

Interest rates also affect inheritance tax receipts. The present law allows a 5 percent discount for payments made within six months of death. Because interest rates were high during 1969-70, the discount was less attractive and many payments were deferred. In addition, only a 6 percent annual interest is charged on payments not made within two years, likewise making it more desirable to pay the interest than liquidate estates yielding a higher rate of return. With a decline in interest rates in 1970-71 and 1971-72, it is anticipated that estates will be distributed more rapidly, thereby accelerating state collections. These factors will cause a substantial increase in inheritance tax collections in 1971-72.

Gift tax payments are expected to increase moderately in 1970-71 and somewhat more strongly in 1971-72, reflecting declining stock prices through mid-1970 and a recovery in the latter months and through 1971.

Receipts from these sources after adjustment for legislation enacted in 1970 are:

(In thousands)			
	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Inheritance tax	\$152,605	\$164,500	\$188,000
Gift tax	11,694	12,200	14,400
Totals	\$164,299	\$176,700	\$202,400

Insurance Tax—\$175,300,000

Insurance companies doing business in California pay an excise tax for that privilege based on the amount of gross premiums, less return premiums, attributable to business in the state. This tax is in lieu of most other state and local taxes, and is assessed at the constitutionally-established rate of 2.35 percent on most lines of insurance. Annuities, ocean marine and surplus line insurance are subject to different rates. The tax rate on gross premiums received from pension or profitsharing plan annuities has gradually been reduced from 2.35 percent in 1959 to one-half of 1 percent in 1969. All insurers with over \$5,000 tax liability in the previous calendar year are required to make three "prepayments" (each representing 26.5 percent of the previous year's liability) on May 15, August 15, and November 15; the remainder of the tax is due April 1 of the year following.

Although insurance companies pay local property taxes, they are allowed to deduct at least a portion of the tax on their principal office in California from their state tax liability. A "domestic" insurer—one organized under California law prior to December 31, 1966, and licensed to transact business here—may deduct the entire property tax paid on its principal office if occupied or under construction by January 1, 1970, whether or not the building is used exclusively for insurance business. All other insurers doing business in California are allowed to deduct only part of their tax based on the percentage of the principal office building actually occupied by the insurer.

In 1969, 128 companies claimed principal office deductions of \$9.8 million, an increase of \$2.2 million or almost 30 percent over 1968. Most of this increase can be attributed to domestic insurers who, before the January 1970 cut-off, acquired larger principal offices on which they deducted all property taxes. This deadline encouraged many companies to buy or build expanded facilities. As new buildings are completed and occupied the principal office deduction will increase even further. It is anticipated that \$13 million will be deducted from insurance companies' tax liability in 1970-71, and approximately \$15 million in 1971-72.

Estimates of premiums written during 1970 and 1971 are based on replies to a questionnaire sent to a sample of 91 insurance companies, representing over two-thirds of all taxable premiums written in California during 1969. These companies supplied their projections of percentage change in the volume of premiums to be written for specific major lines and

for total premiums. Based on the results of this sample, insurance tax revenue estimates are:

1969-70 (actual)	\$136,733,000
1970-71 (estimated)	153,300,000
1971-72 (estimated)	175,300,000

Alcoholic Beverage Taxes—\$133,000,000

Revenues from alcoholic beverages come from two main sources: excises on the distribution of beer, wine and distilled spirits, and license fees required for the privilege of manufacturing and selling alcoholic beverages to the consumer. Approximately two-thirds of the license fees are returned to local governments.

With the exception of sweet wine consumption which has been declining for many years, per capita consumption of alcoholic beverages has been steadily rising. A buildup of beer inventories took place in the spring of 1970 in anticipation of a strike which failed to occur. This inflated 1969-70 tax receipts but did not change calendar-year consumption.

Per capita consumption of alcoholic beverages by type are shown below:

Apparent Consumption Per Capita (In gallons)				
	1969	1970	1971	1972
Distilled spirits	3.65	3.70	3.79	3.86
Beer	27.63	28.58	29.30	30.09
Dry wine	2.92	3.33	3.70	4.10
Sweet wine	1.16	1.06	0.97	0.90
Sparkling wine	0.25	0.33	0.35	0.38

Revenues from liquor license fees are divided between the General Fund and the Alcohol Beverage Control Fund. The General Fund receives all fees for new licenses, services charges, fees to enforce fair trade regulations and all license transfer fees. In addition, 10 percent of all other fees (mainly calendar and fiscal year renewals) is transferred to the General Fund with the remainder apportioned to cities and counties.

Estimated collections for the current and budget years compared with the actual collections for the previous year are shown in Table 10.

TABLE 10
Alcoholic Beverage Taxes and Fees
(In thousands)

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Distilled spirits	\$89,793	\$92,000	\$96,000
Beer		13,775	14,900
Dry wine		440	500
Sweet wine	16,115 a	260	240
Sparkling wine		1,225	1,360
Totals, Excise Taxes	\$105,908	\$107,700	\$113,000
Liquor license fees	19,401	20,000	20,000
Totals, Taxes and Fees	\$125,308	\$127,700	\$133,000
General Fund	112,870	114,700	120,000
Special fund	12,438	13,000	13,000

a Cannot be separated due to credits and adjustments.

Horse Racing Tax—\$74,200,000

Approximately 90 percent of horse racing revenue is derived from a tax on parimutuel wagering. The remainder consists of breakage (the odd cents not paid to winning ticketholders), unclaimed parimutuel tickets, occupational license fees, fines and penalties, and miscellaneous revenue.

Labor-management disputes caused the cancellation of 25 days of racing at Bay Meadows, 27 days at Santa Anita, and the rescheduling of 12 days at Los Alamitos in 1969-70 and 1970-71. The revenue loss attributable to these disputes was about \$7,200,000 in 1969-70 and \$300,000 in 1970-71.

Legislation in 1970 increased the total parimutuel pool takeout from 14 percent to 15.25 percent by revising the rate schedule and its application. The amount attributable to the increased takeout was allocated solely to the tracks and horsemen, with none of the increase going to the state.

Prior to the change in takeout, the state tax on parimutuel wagering was based on a progressive rate schedule ranging from 5 percent of the first \$10 million wagered to 8 percent of the handle in excess of \$125 million. The new tax rates range from 6.10 percent of the first \$20 million wagered to 7.45 percent of the handle in excess of \$180 million. The new application of these rates is as follows: A base rate of 6.10 percent is applied to the first \$20 million handled at each meet and one other rate, based on the estimated total handle of each meet, is applied to the amount over \$20 million. However, in any meet where the total handle is less than \$20 million only one tax rate—5.5 percent is applied.

When the new law became effective, three meets were in progress. This presented a problem concerning the application of the new rates with regard to these tracks. The California Horse Racing Board ruled that each of these three meets would be treated as two separate meets for tax purposes and the new rates would be applied accordingly. This decision, as opposed to treating them as one meet and applying the appropriate rate to the total handle of the entire meet, would have caused a loss in 1970-71 of \$684,000. The California Horse Racing Board offset a portion of the revenue loss associated with this initial decision by providing a total of 6 additional racing days at the tracks. The tax collected during these six days amounted to \$290,000.

Another measure enacted in 1970 provided for the allocation of 8 weeks of night harness racing at the California Exposition and Fair. These weeks will be in addition to the 11 weeks of harness racing cur-

rently allowed in northern California by the 1967 Horse Racing Law. This legislation will generate about \$125,000 in 1970-71 and \$475,000 in 1971-72.

Total parimutuel handle, total revenue, and the distribution of the revenue among the various funds is shown in Table 11.

Private Car Tax—\$4,400,000

Railroad cars owned by companies other than railroads are taxed by the state rather than by local governments. The statewide property tax rate during the preceding fiscal year is applied against assessed valuations as determined by the State Board of Equalization.

Based upon assessed value of \$41.8 million and a rate of \$9.93 per \$100 of assessed value, current year collections will total \$4,147,000. Actual collections in 1969-70 were \$3,739,000. Collections for 1971-72 are estimated at \$4,400,000.

Nontax Receipts—\$195,041,000

Miscellaneous receipts for the General Fund will total \$195,041,000 in the budget year, an increase of only \$779,000 from the corresponding figure for the current period and down \$6,620,000 from 1969-70. Miscellaneous revenue is made up of five categories: medical aid reimbursements—\$52.2 million; interest income—\$53.1 million; pay patients and county board charges at hospitals—\$29.0 million; traffic penalties—\$16.4 million; and all other—primarily charges for certain services to business and individuals and sales of property—\$44.4 million.

SPECIAL FUND REVENUE

Provisions of the State Constitution, codes and statutes restrict the use of certain revenue for specified purposes, and these receipts are separately accounted in various special funds. In general, they comprise three categories of income: (1) receipts from broad tax levies which are allocated to specified functions; (2) charges for special services to specific groups; and (3) rentals, royalties and other receipts earmarked for particular purposes. Motor vehicle taxes and fees illustrate the first of these classes. License fees for the regulation of business and professions are typical of the second. Oil and gas royalties, now assigned primarily to capital outlay for public higher education and water development, are examples of the third. In addition, interest received by the investment of special fund money is deposited in the fund for which the investments are held.

Motor vehicle taxes and fees account for more than six-sevenths of all special fund revenue. Principal sources of this income are the motor vehicle fuel taxes, registration and weight fees, vehicle license fees, and the transportation tax. During the 1971-72 fiscal year, \$1,303,500,000 will be derived from the ownership or operation of motor vehicles. Approximately \$574.3 million of this revenue will be returned to local

TABLE 11
Sources and Distribution of Horse Racing Revenue
(In thousands)

	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Total handle	\$790,636	\$921,400	\$990,000
Receipts:			
Parimutuel license fees ..	52,831	61,950	66,850
Breakage	4,694	5,300	6,500
Unclaimed parimutuels ..	497	475	550
Licenses, fines, penalties, miscellaneous	222	275	300
Totals, Revenues	\$58,244	\$68,000	\$74,200
Distribution:			
General Fund	\$49,331	\$59,481	\$65,284
Fair and Exposition Fund	8,163	7,769	8,166
Wildlife Restoration Fund	750	750	750

governments. The remainder, except for the proposed transfer of \$20,000,000 from the Motor Vehicle Transportation Tax Fund to the State School Fund, will be available for various activities related to state highways and services to vehicle owners.

Thirty percent of the cigarette tax revenue is now deposited in a special fund for distribution to the cities and counties. In 1971-72, receipts for this fund are estimated to be \$74.5 million.

Charges for special services to industry, business and the professions, together with hunting, fishing and liquor licenses and other regulatory fees, will amount to \$58.6 million in 1971-72. Rents, royalties and other miscellaneous receipts are estimated to total \$35.3 million. Interest from investments held for the various special funds is projected at \$23.1 million.

Motor Vehicle Fees—\$560,600,000

Registration, weight and vehicle license fees contribute the bulk of revenue from this source, with various fees incidental to vehicle operation making up the balance. New vehicle sales in 1970 were reduced by approximately 50,000 vehicles in California as a result of the General Motors strike. It is anticipated that a major portion of this loss will be made up in 1971. New vehicle sales are estimated to total 1,420,000 in 1971 and are expected to reach 1,540,000 during 1972. Allowing for scrappage and vehicles entering and leaving the state, total fee-paid registrations at year-end are estimated at 13,625,000 for 1970, 14,345,000 in 1971 and 15,080,000 in 1972.

Based on these estimates, registration and weight fees will amount to \$274,400,000 in the budget year. Adding drivers' license fees and other revenues will bring the total to \$298,200,000. This represents an increase of \$15.6 million over the estimate for the current fiscal year and \$29.9 million over actual receipts during 1969-70.

A vehicle license fee is imposed for the privilege of operating a vehicle upon public highways in this state. It is computed at 2 percent of the depreciated value of the base price of the vehicle and is assessed on all vehicles subject to registration under the Vehicle Code. Revenue, therefore, is contingent upon the number of vehicles in the state, the age distribution of those vehicles, and their original base price. New car values are increasing and this trend is expected to continue. Because new vehicle sales were lower than expected during the latter half of 1970, renewal fees for 1971 will be somewhat depressed. However, this will be offset by the increased revenue from new car sales in early 1971 and will in turn result in higher renewal fees in 1972.

Total revenues from motor vehicle fees are shown below:

	(In millions)		
	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Vehicle license fees -----	\$230.6	\$247.5	\$262.4
Registration and weight fees -----	246.4	258.7	274.4
Drivers license fees -----	12.7	12.9	11.8
Other -----	9.3	11.0	12.0
Totals -----	\$499.0	\$530.1	\$560.6

Motor Vehicle Fuel Taxes—\$716,300,000

The forecast of revenue from motor vehicle fuel taxes is based on projected consumption of gasoline, diesel fuel and liquefied petroleum gas. Factors in the gasoline tax estimate include total vehicle registrations and average gasoline consumption per vehicle. Registrations are expected to reach 13,820,000 in 1970 and 14,553,000 in 1971. During 1969-70, gasoline consumption per vehicle was approximately 653 gallons, and consumption during 1970-71 and 1971-72 is estimated at 664 gallons. The seven cents per gallon tax rate is then applied to the total gallonage.

Highway consumption of diesel fuel and liquefied petroleum gas is estimated by projecting the trend of past collections with adjustments for changes in the economic outlook. Taxes are imposed at 7 cents and 6 cents per gallon of diesel fuel and LPG, respectively. Local buslines, however, pay only 1 cent per gallon for diesel fuel.

Consumption in 1971-72 will be held down because of 1970 legislation which exempted natural gas or liquefied petroleum when used in a system meeting the 1974 emission standards. This is anticipated to encourage a shift from gasoline to tax-exempt fuels.

Between June 1 and August 31, 1969, an additional 1 cent per gallon tax was imposed to finance repairs to roads that were damaged by the severe floods early in 1969. This special tax increased the 1969-70 gasoline tax collection by \$14,882,000 and use fuel revenue by over \$1 million.

Revenues from the motor vehicle fuel taxes are shown below.

	(In thousands)		
	Actual 1969-70	Estimated 1970-71	Estimated 1971-72
Gasoline -----	\$628,813	\$642,300	\$673,300
Diesel and LPG -----	39,724	40,300	43,000
Totals -----	\$668,537	\$682,600	\$716,300

Transportation Tax—\$26,600,000

The transportation tax is imposed at the rate of 1.5 percent of the gross receipts from the operation of motor vehicles for hire outside of municipalities. An analysis of trend, adjusted for anticipated economic conditions, indicates a level of \$26,600,000 for the budget year, and \$25,000,000 for the current year as compared with actual 1969-70 revenue of \$23,458,000.

Other Special Fund Revenue—\$104,013,000

For the most part, nontax revenue flowing to special funds represents regulatory fees on business and professions, charges for special services to designated groups and royalties from oil and gas production on state-owned land.

For the budget year, these revenues will total \$104,013,000 compared with \$148,812,000 in the current year. Actual receipts in 1969-70 were \$131,916,000.

TABLE 12

SUMMARY OF STATE POPULATION, INCOME OF CALIFORNIA RESIDENTS, AND STATE TAX COLLECTIONS

Excluding Departmental, Interest and Miscellaneous Revenue

Year	Estimated			Fiscal Year	State Tax Collections			Taxes per Capita			Taxes per \$100 of Personal Income		
	Population July 1st (Thousands)	Personal Income (Millions)	Income per Capita		General Fund (Thousands)	Special Funds (Thousands)	Total (Thousands)	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CASH BASIS													
1950	10,643	\$19,774	\$1,858	1950-51	\$647,992	\$295,542	\$943,534	\$59.52	\$27.15	\$86.67	\$3.28	\$1.49	\$4.77
1951	11,130	22,756	2,045	1951-52	709,245	322,699	1,031,944	62.30	28.35	90.65	3.11	1.42	4.53
1952	11,638	25,214	2,167	1952-53	754,048	346,480	1,100,528	63.53	29.19	92.72	2.99	1.37	4.36
1953	12,101	27,002	2,231	1953-54	772,250	442,538	1,214,788	62.74	35.95	98.69	2.86	1.64	4.50
1954	12,517	27,682	2,212	1954-55	831,899	467,814	1,299,713	65.19	36.66	101.85	3.01	1.69	4.70
1955	13,004	30,378	2,336	1955-56	972,828	524,765	1,497,593	73.18	39.48	112.66	3.20	1.73	4.93
1956	13,581	33,177	2,443	1956-57	1,042,773	554,713	1,597,486	75.13	39.97	115.10	3.14	1.67	4.81
1957	14,177	35,497	2,504	1957-58	1,069,809	572,490	1,642,299	73.99	39.59	113.58	3.01	1.61	4.62
1958	14,741	37,361	2,534	1958-59	1,170,890	594,587	1,765,477	77.98	39.60	117.58	3.13	1.59	4.72
1959	15,288	41,010	2,682	1959-60	1,443,296	633,492	2,076,788	92.66	40.67	133.33	3.52	1.54	5.06
1960	15,863	42,980	2,709	1960-61	1,537,347	656,815	2,194,162	95.39	40.76	136.15	3.58	1.53	5.11
1961	16,366	45,678	2,791	1961-62	1,645,300	669,267	2,314,567	98.90	40.23	139.13	3.60	1.47	5.07
1962	16,905	49,051	2,902	1962-63	1,791,038	711,185	2,502,223	104.06	41.32	145.39	3.65	1.45	5.10
1963	17,517	52,615	3,004	1963-64	2,057,962	813,937	2,871,900	115.82	45.81	161.63	3.91	1.55	5.46
1964	18,020	56,570	3,139	1964-65	2,161,157	931,958	3,093,115	118.39	51.05	169.44	3.82	1.65	5.47
1965	18,490	60,234	3,258	1965-66	2,398,958	971,625	3,370,582	128.49	52.04	180.53	3.98	1.61	5.60
1966	18,850	65,156	3,457	1966-67	2,422,275	993,277	3,415,552	127.12	52.17	179.38	3.72	1.52	5.24
ACCURAL BASIS													
1966	18,850	65,156	3,457	1966-67	2,746,888	1,091,387	3,838,275	144.26	57.32	201.58	4.22	1.68	5.89
1967	19,232	69,936	3,636	1967-68	3,557,610	1,118,311	4,675,921	183.68	57.74	241.41	5.09	1.60	6.69
1968	19,506	76,900	3,942	1968-69	3,962,520	1,210,229	5,172,748	201.54	61.55	263.08	5.15	1.57	6.73
1969	19,817	83,408	4,209	1969-70	4,125,607	1,283,258	5,408,865	207.21	64.45	271.67	4.95	1.54	6.48
1970	20,003	88,885	4,444	1970-71 †	4,368,329	1,332,219	5,700,547	217.22	66.25	283.47	4.91	1.50	6.41
1971	20,218	94,300	4,664	1971-72 †	4,837,884	1,399,916	6,237,800	237.99	68.87	306.85	5.13	1.48	6.61

† Estimated.

Population estimated by the State Department of Finance.

Personal income, 1950 through 1969, from estimates by the Office of Business Economics, United States Department of Commerce. Data for 1970 and 1971 are estimates by the State Department of Finance.

Taxes per capita computed on the basis of population January 1st, the midpoint of the fiscal year.

NOTE: Data are shown for 1966-67 on both bases in order to facilitate long-term comparisons.

TABLE 13

COMPARATIVE YIELD OF STATE TAXES, 1950-51 THROUGH 1971-72

(In Thousands)

Year Ending June 30	Sales and Use	Personal Income	Bank and Corporation ¹	Cigarette	Inheritance and Gift	Insurance	Distilled Spirits	Horse Racing	Liquor License Fees	Beer and Wine	Private Car	Motor Vehicle Fuel ²	Motor Vehicle Fees ³	Transportation Tax
CASH BASIS														
1951	\$399,243	\$75,891	\$98,245	-	\$23,671	\$23,447	\$16,094	\$16,368	\$8,106	\$3,796	\$891	\$149,907	\$117,680	\$10,194
1952	417,693	90,914	120,127	-	29,165	25,732	14,430	20,042	7,828	3,730	1,089	162,076	127,809	11,312
1953	460,110	94,551	119,127	-	23,474	29,171	15,615	20,960	8,887	4,069	1,127	170,871	139,406	13,359
1954	465,051	96,169	125,026	-	24,112	34,325	15,546	22,512	8,586	3,989	1,222	234,395	170,519	13,337
1955	492,917	106,738	133,661	-	30,250	38,501	16,108	22,838	9,213	4,172	1,301	244,588	185,505	13,921
1956	564,225	127,816	157,088	-	36,334	39,104	33,970	24,891	9,638	4,373	1,330	273,086	209,817	15,921
1957	600,102	143,290	167,431	-	38,540	42,529	34,902	26,695	10,616	4,361	1,424	291,364	219,266	16,965
1958	605,238	149,269	173,599	-	45,331	46,037	33,963	25,948	11,297	4,595	1,590	302,671	227,153	15,609
1959	631,514	160,553	174,003	-	44,943	105,832	36,685	28,087	11,962	5,129	1,712	317,709	236,177	11,171
1960	709,648	246,585	240,735	\$64,805	47,189	61,530	40,369	36,288	12,379	10,016	1,613	336,786	256,303	12,543
1961	711,702	269,103	272,718	66,024	76,803	66,745	41,274	37,260	13,044	9,704	1,668	350,801	264,842	12,475
1962	749,523	299,034	290,870	66,054	76,012	71,699	45,418	38,311	13,533	10,495	1,753	363,771	274,906	13,187
1963	813,465	322,012	311,251	70,194	92,432	77,970	48,152	41,663	13,939	10,659	1,808	386,215	298,356	14,106
1964	876,944	392,341	405,431	71,822	102,195	107,200	50,145	43,442	14,274	11,299	1,846	450,195	329,584	15,183
1965	939,649	410,109	416,247	74,477	114,464	95,199	53,915	47,560	14,596	12,422	2,017	542,822	353,607	16,030
1966	1,096,162	454,625	435,597	74,578	123,781	100,854	56,718	47,443	14,878	12,606	2,205	551,108	382,656	17,373
1967	1,053,249	500,086	453,292	75,597	114,413	107,186	59,564	49,311	14,954	13,751	2,477	548,287	405,061	18,323
ACCURAL BASIS														
1967	1,190,750	626,697	453,292	78,191	141,899	131,226	64,733	49,311	14,954	14,964	2,477	643,698	405,061	21,023
1968	1,464,927	952,487	576,874	219,272	135,554	121,155	81,700	54,799	15,736	13,196	2,932	580,487	437,918	18,882
1969	1,652,979	1,101,691	592,303	237,328	158,815	130,312	85,494	59,839	18,821	14,118	3,865	625,667	469,655	21,858
1970	1,753,611	1,152,053	587,013	236,878	164,299	136,733	89,793	58,244	19,401	16,115	3,739	668,537	498,992	23,458
1971 †	1,810,000	1,335,000	545,000	243,000	176,700	153,300	92,000	68,000	20,000	15,700	4,147	682,600	530,100	25,000
1972 †	1,970,000	1,510,000	616,000	249,000	202,400	175,300	96,000	74,200	20,000	17,000	4,400	716,300	560,600	26,600

¹ Includes the corporation income tax.² Motor vehicle fuel tax (gasoline), use fuel tax (diesel and liquefied petroleum gas).³ Registration and weight fees, motor vehicle license fees and other fees.

† Estimated.

NOTE: Data are shown for 1966-67 on both bases in order to facilitate long-term comparisons.

TABLE 14
OUTLINE OF STATE TAX SYSTEM AS OF JANUARY 1, 1971

Major Taxes and Fees	Reference		Base or Measure	Rate	Administering Agency	Fund
	Code	Sections				
Alcoholic Beverage Excises:						
Beer	R & T (1)	32151 (a)	Gallon	\$0.04	Equalization (2) Equalization	General
Distilled spirits	R & T	32201 (a)	Gallon	2.00		General
Wine:						
Dry	R & T	32151 (h)	Gallon	.01	Equalization	General
Sweet	R & T	32151 (c)	Gallon	.02	Equalization	General
Sparkling	R & T	32151 (d)	Gallon	.30	Equalization	General
Sparkling hard cider	R & T	32151 (e)	Gallon	.02	Equalization	General
Bank and Corporation:						
General corporations	R & T	23151 23501 23181	Net income	7.0% (3)	Franchise (4)	General
Banks and financial corporations	R & T	23183	Net income	11.0% Max.	Franchise	General
Cigarette	R & T	30101	Package (5)	\$0.10 (5)	Equalization	Cigarette Tax Fund (6)
Gift	R & T	15206	Market value	3-24%	Controller	General
Horse Racing License	B & P (7)	19491	Amt. wagered Breakage	5.5-7.45% 0-100%	Horse Racing Board	Fair and Expo. (8), Wildlife Restoration and General
Inheritance	R & T	13404	Market value	3-24%	Controller	General
Insurance	R & T	12202	Gross premiums (9)	2.35% (9)	Insurance Comm.	General
Liquor License Fees	B & P	23320	Type of license	Various	Alcoholic Beverage Control Dept.	Alcohol Bev. (10) and General
Motor Vehicle:						
Vehicle license fees	R & T	10751	Market value	2%	Motor Veh. Dept.	Veh. Lic. Fee (11)
Fuel—gasoline	R & T	7351	Gallon	\$0.07	Equalization	Fuel (12)
Fuel—diesel	R & T	8651	Gallon	.07	Equalization	Fuel
Registration fee	Vehicle	9250	Vehicle	11.00	Motor Veh. Dept.	Motor Veh. (13)
Weight fees	Vehicle	9400	Unladen weight	Various	Motor Veh. Dept.	Motor Veh.
Transportation	R & T	9651	Gross receipt	1½%	Equalization	Transp. Tax (14)
Personal Income	R & T	17041	Taxable income	1-10%	Franchise	General
Private (Railroad) Car	R & T	11401	Valuation	(15)	Equalization	General
Retail Sales and Use	R & T	6051 6201	Receipts from sales of taxable items	4%	Equalization	General

- (1) Revenue and Taxation Code.
- (2) State Board of Equalization.
- (3) Minimum tax \$100 per year, not applicable to banks.
- (4) Franchise Tax Board.
- (5) This tax is levied at the rate of 5 mills per cigarette.
- (6) 30 percent of the cigarette tax is remitted to local jurisdictions.
- (7) Business and Professions Code.
- (8) For support of county fairs and similar activities.
- (9) Ocean marine insurance is taxed at the rate of 5 percent of underwriting profit attributable to California business. A special rate also applies to certain types of insurance and annuities.
- (10) For return to cities and counties.
- (11) For payment of administrative costs and apportionment to counties, cities and school districts.
- (12) For administrative expense and apportionment to state, counties and cities for highways, airports and small craft harbors.
- (13) For support of State Department of Motor Vehicles, California Highway Patrol, state highways and environmental protection.
- (14) For administrative expenses and state highways.
- (15) Average property tax rate in the state during preceding year.

Schedule 2—COMPARATIVE STATEMENT OF REVENUES; FISCAL YEARS 1969-70, 1970-71, AND 1971-72

Sources	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
MAJOR TAXES AND LICENSES:									
Alcoholic Beverage Taxes and Fees:									
Excise Tax on Beer and Wine.....	\$16,114,664		\$16,114,664	\$15,700,000		\$15,700,000	\$17,000,000		\$17,000,000
Excise Tax on Distilled Spirits.....	89,792,673		89,792,673	92,000,000		92,000,000	96,000,000		96,000,000
Liquor License Fees.....	6,962,528	\$12,438,375	19,400,903	7,000,000	\$13,000,000	20,000,000	7,000,000	\$13,000,000	20,000,000
Bank and Corporation Tax.....	587,013,025		587,013,025	545,000,000		545,000,000	616,000,000		616,000,000
Cigarette Tax.....	165,954,734	70,922,901	236,877,635	170,000,000	73,000,000	243,000,000	174,500,000	74,500,000	249,000,000
Gift Tax.....	11,693,866		11,693,866	12,200,000		12,200,000	14,400,000		14,400,000
Horse Racing Licenses.....	49,334,541	8,900,812	58,244,353	59,481,258	8,518,742	68,000,000	65,283,950	8,916,050	74,200,000
Inheritance Tax.....	152,605,337		152,605,337	164,500,000		164,500,000	188,000,000		188,000,000
Insurance Companies Tax.....	136,733,302		136,733,302	153,300,000		153,300,000	175,300,000		175,300,000
Motor Vehicle License Fees ("In Lieu" Tax)		230,644,503	230,644,503		247,500,000	247,500,000		262,400,000	262,400,000
Motor Vehicle Fuel Tax:									
Gasoline.....		628,812,749	628,812,749		642,300,000	642,300,000		673,300,000	673,300,000
Diesel and Liquefied Petroleum Gas.....		39,723,975	39,723,975		40,300,000	40,300,000		43,000,000	43,000,000
Motor Vehicle Registration and Other Fees.....		268,347,539	268,347,539		282,600,000	282,600,000		298,200,000	298,200,000
Motor Vehicle Transportation Tax.....		23,457,682	23,457,682		25,000,000	25,000,000		26,600,000	26,600,000
Personal Income Tax.....	1,152,052,777		1,152,052,777	1,335,000,000		1,335,000,000	1,510,000,000		1,510,000,000
Private Car Tax.....	3,738,651		3,738,651	4,147,386		4,147,386	4,400,000		4,400,000
Retail Sales and Use Tax.....	1,753,611,215		1,753,611,215	1,810,000,000		1,810,000,000	1,970,000,000		1,970,000,000
TOTALS, MAJOR TAXES AND LICENSES	\$4,125,607,313	\$1,283,257,536	\$5,408,864,849	\$4,368,328,644	\$1,332,218,742	\$5,700,547,386	\$4,837,883,950	\$1,399,916,050	\$6,237,800,000
OTHER REVENUES:									
Architecture Public Building Fees.....		\$1,179,911	\$1,179,911		\$1,200,000	\$1,200,000		\$1,260,000	\$1,260,000
Corporation—Licenses, Permits and Examination Fees.....	\$7,234,378		7,234,378	\$6,657,150		6,657,150	\$6,614,650		6,614,650
County Board Charges:									
Mental Hygiene Patients.....	3,366,192		3,366,192	3,734,593		3,734,593	3,597,889		3,597,889
Youth Authority Wards.....	1,315,620		1,315,620	1,100,100		1,100,100	1,100,000		1,100,000
County Costs—Mentally Ill Patients.....	7,140,726		7,140,726	6,250,000		6,250,000	6,000,000		6,000,000
Pay Patients Board Charges and Clinic Fees:									
Mental Hygiene Patients.....	17,151,664		17,151,664	17,723,456		17,723,456	19,252,810		19,252,810
Clinic Fees.....	155,181		155,181	110,000		110,000	110,000		110,000
Department of Education Credential Fees.....	3,206,240		3,206,240	2,775,000		2,775,000	2,925,000		2,925,000
Receipts from Health Care Deposit Fund.....	49,659,536		49,659,536	49,417,008		49,417,008	49,888,064		49,888,064
Medicare Receipts from the Federal Government.....	4,076,693		4,076,693	2,204,706		2,204,706	2,299,800		2,299,800
Department of Agriculture.....	87,380		87,380	77,793		77,793	80,293		80,293
Department of Consumer Affairs.....	305,350		305,350	220,726		220,726	260,726		260,726
Division of Real Estate.....		13,674,275	13,674,275		10,144,876	10,365,602		13,014,015	13,274,741
Fishing and Hunting Licenses.....		5,013,282	5,013,282		5,247,000	5,247,000		5,288,000	5,288,000
Department of Insurance Revenues.....		14,295,692	14,295,692		14,860,000	14,860,000		15,465,000	15,465,000
Interest on Investments:									
Interest Income.....		5,494,684	5,494,684		5,326,750	5,326,750		4,821,750	4,821,750
Pooled Money Investments.....		55,435,925	55,435,925		52,302,000	52,302,000		52,177,500	52,177,500
Surplus Money Investments.....		16,830,254	16,830,254		16,574,667	16,574,667		16,713,799	16,713,799
Condemnation Deposit Investments.....	86,549	1,209,116	1,295,665		90,000	1,198,000	80,000	1,500,000	1,580,000
Other Interest Income.....	1,477,352	145,630	1,622,982		822,000	930,697	819,000	100,406	919,406

Schedule 2—COMPARATIVE STATEMENT OF REVENUES; FISCAL YEARS 1969-70, 1970-71, AND 1971-72—Continued

Sources	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
OTHER REVENUES—Continued									
Oil and Gas Revenues:									
Revenues Collected by State Lands Division ^a ----	3,110,584	22,812,920	25,923,504	2,349,070	-----	2,349,070	2,130,800	3,826,200	5,957,000
Federal Lands-----	-----	2,390,052	2,390,052	-----	2,367,408	2,367,408	-----	2,300,000	2,300,000
Other-----	336,721	-----	336,721	486,000	-----	486,000	486,000	-----	486,000
Penalties and Interest on Unemployment Contributions-----	-----	3,048,815	3,048,815	-----	3,095,000	3,095,000	-----	3,296,500	3,296,500
Penalties on Traffic Violations-----	15,323,947	4,865,942	20,189,889	14,750,000	4,501,800	19,251,800	16,400,000	4,611,600	21,011,600
Penalties on Criminal Convictions-----	-----	3,087,432	3,087,432	-----	2,878,200	2,878,200	-----	2,948,400	2,948,400
Secretary of State—Fees and Miscellaneous-----	3,772,316	-----	3,772,316	4,093,104	-----	4,093,104	4,578,871	-----	4,578,871
Transportation Rate Fund-----	-----	5,431,533	5,431,533	-----	5,242,500	5,242,500	-----	5,630,000	5,630,000
Proceeds under Unclaimed Property Act-----	2,522,168	-----	2,522,168	2,250,000	-----	2,250,000	2,250,000	-----	2,250,000
Sales of State Property-----	2,775,585	42,248	2,817,833	3,463,250	80,000	3,543,250	3,158,000	-----	3,158,000
State Beach and Park Service Fees-----	5,673,304	-----	5,673,304	5,940,000	-----	5,940,000	6,660,000	-----	6,660,000
Not Otherwise Classified-----	12,967,075	20,309,336	33,276,411	12,895,713	64,476,203	77,371,916	10,403,412	17,009,504	27,412,916
TOTAL, OTHER REVENUES-----	\$201,661,647	\$131,916,342	\$333,577,989	\$194,261,669	\$148,812,257	\$343,073,926	\$195,041,158	\$104,013,235	\$299,054,393
TOTAL, REVENUES-----	\$4,327,268,960	\$1,415,173,878	\$5,742,442,838	\$4,562,590,313	\$1,481,030,999	\$6,043,621,312	\$5,032,925,108	\$1,503,929,285	\$6,536,854,393
OTHER INCOME—TRANSFERS:									
California Museum of Science and Industry Fund-----	-----	-----	-----	\$ + 166,401	\$ - 166,401	-----	-----	-----	-----
California Water Fund ^b -----	-----	\$ - 75,544	\$ - 75,544	-----	- 948,562	\$ - 948,562	-----	-----	-----
California Water Fund-----	-----	-----	-----	+ 13,740,000	- 13,740,000	-----	\$ + 3,300,000	-----	-----
Capital Outlay Fund for Public Higher Education-----	-----	-----	-----	+ 31,700,000	- 31,700,000	-----	-----	-----	-----
Department of Human Resources Development Contingent Fund-----	-----	-----	-----	+ 2,754,605	- 2,754,605	-----	+ 2,904,864	- 2,904,864	-----
Judges' Retirement Fund ^c -----	\$ + 2,799,189	- 2,799,189	-----	+ 250,000	-----	+ 250,000	-----	-----	-----
Poultry Testing Project Fund-----	+ 27,058	- 27,058	-----	+ 90,298	-----	+ 90,298	-----	-----	-----
Service Revolving Fund ^c -----	+ 139,270	+ 139,270	+ 139,270	+ 1,800,000	-----	+ 1,800,000	-----	-----	-----
State Employees Contingency Reserve Fund ^c -----	-----	-----	-----	-----	-----	-----	-----	-----	-----
State Water Quality Control Fund ^c -----	+ 250,000	-----	+ 250,000	-----	-----	-----	-----	-----	-----
TOTAL, OTHER INCOME-----	\$ + 3,215,517	\$ - 2,901,791	\$ + 313,726	\$ + 50,501,304	\$ - 49,309,568	\$ + 1,191,736	\$ + 6,204,864	\$ - 6,204,864	-----
TOTAL INCOME-----	\$4,330,484,477	\$1,412,272,087	\$5,742,756,564	\$4,613,091,617	\$1,431,721,431	\$6,044,813,048	\$5,039,129,972	\$1,497,724,421	\$6,536,854,393

^a Includes oil royalties and bid bonuses.

^b Transfers to the Central Valley Water Project Construction Fund pursuant to Chapter 411, Statutes of 1968.

^c Not recorded as a reduction in special funds as these funds are not governmental cost funds and receipts are not included in budget totals.

Schedule 3

COMPARATIVE STATEMENT OF EXPENDITURES BY CHARACTER, FUNCTION, ORGANIZATION UNIT AND FUND
FOR FISCAL YEARS 1969-70, 1970-71, AND 1971-72

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72			
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total	
STATE OPERATIONS											
GENERAL GOVERNMENT ¹											
Legislative:											
2	Legislature.....	\$25,429,196	\$ - 3,263,629	\$22,165,567	\$24,975,057	\$2,195,265	\$27,170,322	\$25,792,358	\$800,000	\$26,592,358	
4	Legislative Counsel Bureau.....	1,625,395	-----	1,625,395	1,861,420	-----	1,861,420	1,932,474	-----	1,932,474	
7	Law Revision Commission.....	159,703	-----	159,703	168,599	-----	168,599	169,000	-----	169,000	
8	Commission on Uniform State Laws.....	12,177	-----	12,177	15,400	-----	15,400	15,400	-----	15,400	
9	Contributions to Legislators Retirement Fund.....	540,000	-----	540,000	550,000	-----	550,000	876,229	-----	876,229	
	Totals, Legislative.....	\$27,766,471	\$ - 3,263,629	\$24,502,842	\$27,570,476	\$2,195,265	\$29,765,741	\$28,785,461	\$800,000	\$29,585,461	
Judicial:											
10	Judicial—Supreme Court, Appellate Courts and Judicial Council.....	\$7,754,070	\$10,145	\$7,764,215	\$8,277,188	\$11,856	\$8,289,044	\$8,425,000	\$13,702	\$8,438,702	
16	Commission on Judicial Qualifications.....	49,178	-----	49,178	43,926	-----	43,926	44,000	-----	44,000	
18	Contributions to Judges Retirement Fund.....	154,183	-----	154,183	176,622	-----	176,622	178,763	-----	178,763	
	Totals, Judicial.....	\$7,957,431	\$10,145	\$7,967,576	\$8,497,736	\$11,856	\$8,509,592	\$8,647,763	\$13,702	\$8,661,465	
Executive:											
Governor's Office											
19	Governor.....	\$1,594,236	-----	\$1,594,236	\$1,594,588	-----	\$1,594,588	\$1,705,632	-----	\$1,705,632	
21	Secretary for Agriculture and Services.....	91,633	-----	91,633	99,266	-----	99,266	105,643	-----	105,643	
22	Secretary for Business and Transportation.....	-----	\$107,146	107,146	-----	\$112,200	112,200	-----	\$114,100	114,100	
24	Secretary for Human Relations.....	144,229	-----	144,229	155,040	-----	155,040	157,572	-----	157,572	
26	Secretary for Resources.....	182,713	-----	182,713	201,951	-----	201,951	213,100	-----	213,100	
32	Office of Emergency Services.....	1,030,512	-----	1,030,512	957,567	-----	957,567	957,000	-----	957,000	
36	Office of Intergovernmental Management.....	-----	-----	-----	41,352	-----	41,352	40,000	-----	40,000	
38	Office of Planning and Research.....	-----	-----	-----	43,047	-----	43,047	84,957	-----	84,957	
40	Lieutenant Governor.....	232,494	-----	232,494	237,700	-----	237,700	360,000	-----	360,000	
46	Council on Intergovernmental Relations.....	138,791	-----	138,791	125,000	-----	125,000	119,000	-----	119,000	
49	Environmental Quality Study Council.....	69,386	-----	69,386	86,706	-----	86,706	86,994	-----	86,994	
52	Intergovernmental Board on Electronic Data Processing.....	63,453	-----	63,453	11,632	-----	11,632	5,000	-----	5,000	
54	Commission of the California.....	36,453	-----	36,453	37,795	-----	37,795	38,000	-----	38,000	
57	Office of Management Services.....	289,786	-----	289,786	633,990	-----	633,990	500,000	-----	500,000	
61	Advisory Commission on Marine and Coastal Resources.....	62,984	-----	62,984	58,745	-----	58,745	49,000	-----	49,000	
63	State Office of Planning.....	-----	-----	-----	40,000	-----	40,000	-----	-----	-----	
	Totals, Executive.....	\$3,936,670	\$107,146	\$4,043,816	\$4,324,379	\$112,200	\$4,436,579	\$4,334,904	\$201,094	\$4,535,998	
General Administration:											
77	Department of Justice.....	\$19,338,580	\$982,682	\$20,321,262	\$22,804,869	\$1,952,925	\$24,757,794	\$23,392,000	\$2,049,263	\$25,441,263	
95	Commission on Peace Officer Standards and Training.....	-----	379,714	379,714	-----	476,963	476,963	-----	547,437	547,437	
109	Council on Criminal Justice.....	75,002	-----	75,002	77,986	-----	77,986	138,286	-----	138,286	
112	Crime Technological Research Foundation.....	76,795	-----	76,795	75,000	-----	75,000	75,000	-----	75,000	
114	Administration and Payment of Tort Liability Claims.....	837,244	143,856	981,100	1,799,199	-----	1,799,199	1,000,000	-----	1,000,000	
116	Aid to Victims of Crime of Violence.....	191,565	5,080	196,645	225,000	2,878	227,878	225,000	2,000	227,000	
130	State Controller.....	5,838,878	1,176,649	7,015,527	5,874,862	1,149,577	7,024,439	5,829,862	1,286,527	7,116,389	
162	Board of Equalization.....	23,969,842	2,366,999	26,336,841	24,304,257	2,448,723	26,752,980	25,310,832	2,482,039	27,793,771	

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATE OPERATIONS—Continued										
GENERAL GOVERNMENT—Continued										
General Administration:—Continued										
176	Secretary of State	1,650,020		1,650,020	2,258,241		2,258,241	2,154,000		2,154,000
179	Heritage Preservation Commission	634		634	800		800	800		800
184	State Treasurer	896,267		896,267	958,815		958,815	958,815		958,815
184	State Treasurer—Bond Funds		(8,382)			(100,000)			(80,000)	
191	Department of Finance	4,041,850	110,274	4,152,124	4,091,000		4,091,000	4,091,000		4,091,000
196	Commission on Government Organization and Economy	49,043		49,043	53,034		53,034	53,000		53,000
197	Commission on Interstate Cooperation	96,037		96,037	99,100		99,100	99,100		99,100
212	Military Department	4,662,566		4,662,566	4,523,032		4,523,032	4,597,992		4,597,992
226	Public Utilities Commission	6,592,622	5,460,149	12,052,771	6,874,645	5,856,179	12,730,824	6,500,000	5,908,963	12,408,963
	Totals, General Administration	\$68,316,945	\$10,625,403	\$78,942,348	\$74,019,840	\$11,887,245	\$85,907,085	\$74,350,687	\$12,277,129	\$86,627,816
	Bond Funds ^a		(8,382)	(8,382)		(100,000)	(100,000)		(80,000)	(80,000)
Miscellaneous:										
232	Advisory Commission on the Status of Women	\$41,668		\$41,668	\$45,522		\$45,522	\$168,000		\$168,000
234	Arts Commission	170,997		170,997	168,000		168,000			355,465
238	Horse Racing Board		\$331,929	331,929		\$355,465	355,465			
240	Board of Pilot Commissioners for Harbor of San Diego	1,200		1,200	700		700			
	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun		27,991	27,991		33,731	33,731		34,224	34,224
242										
243	Board of Harbor Commissioners for Humboldt Bay	3,429		3,429	1,500		1,500			
244	Personal Services Not Elsewhere Reported	1,689,052		1,689,052	2,345,655		2,345,655	3,158,104		3,158,104
245	Refund of Taxes, Licenses, and Other Fees	26,847		26,847	20,000		20,000	30,000		30,000
	Totals, Miscellaneous	\$1,933,193	\$359,920	\$2,293,113	\$2,581,377	\$389,196	\$2,970,573	\$3,356,104	\$389,689	\$3,745,793
Debt Service:										
253	Bond Interest and Redemption	\$84,414,621		\$84,414,621	\$90,889,061		\$90,889,061	\$103,829,808		\$103,829,808
255	Payment of Interest on General Fund Loans	767,256		767,256	9,200,000		9,200,000	14,400,000		14,400,000
	Totals, Debt Service	\$85,181,877		\$85,181,877	\$100,089,061		\$100,089,061	\$118,229,808		\$118,229,808
Unallocated:										
265	Augmentations for Salary Increases							\$4,759,000	\$4,632,000	\$9,391,000
270	Reserve for Contingencies				\$499,282		\$499,282	1,000,000		1,000,000
271	Legislative Claims	\$157,359	\$41,264	\$198,623	155,991	\$33,766	189,757	85,197	6,620	91,817
271	Legislative Claims—Bond Funds ^b		(7,730)	(7,730)		(2,101)	(2,101)			
	Total Unallocated ^b	\$157,359	\$41,264	\$198,623	\$655,273	\$33,766	\$689,039	\$5,844,197	\$4,638,620	\$10,482,817
			(7,730)	(7,730)		(2,101)	(2,101)			
TOTALS, GENERAL GOVERNMENT										
		\$195,249,946	\$7,880,249	\$203,130,195	\$217,738,142	\$14,629,528	\$232,367,670	\$243,548,924	\$18,320,234	\$261,869,158
			(16,112)	(16,112)		(102,101)	(102,101)		(80,000)	(80,000)
AGRICULTURE AND SERVICES ¹										
319	Department of Agriculture	\$12,694,095	\$10,972,890	\$23,666,985	\$12,315,863	\$13,459,605	\$25,775,468	\$12,178,574	\$8,710,817	\$20,889,391
331	District Agricultural Associations	— 130,000	3,188,000	3,058,000	— 130,000	3,294,000	3,164,000	— 473,000	3,286,500	2,813,500
335	Poultry Improvement Commission	1,986		1,986						
339	Department of Commerce	908,752	440,903	1,349,655	1,282,542		1,282,542	1,274,676		1,274,676

^a Preparing and advertising bonds for sale. Expenditures from bond funds not included in overall budget totals.

^b Legislative claims from bond funds. Expenditures from bond funds not included in overall budget totals.

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72			
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total	
STATE OPERATIONS—Continued											
AGRICULTURE AND SERVICES—Continued											
Department of Consumer Affairs:											
383	Board of Accountancy.....		\$359,181	\$359,181		\$362,099	\$362,099		\$412,419	\$412,419	
384	Board of Architectural Examiners.....		126,243	126,243		139,261	139,261		148,849	148,849	
385	Athletic Commission.....	\$167,620		167,620	\$169,520		169,520	\$152,800		152,800	
386	Board of Barber Examiners.....		444,049	444,049		465,818	465,818		491,001	491,001	
386	Board of Behavioral Science Examiners.....		86,080	86,080		115,465	115,465		140,885	140,885	
387	Cemetery Board.....		76,828	76,828		83,483	83,483		83,793	83,793	
388	Board of Chiropractic Examiners.....		101,106	101,106		106,116	106,116		111,712	111,712	
389	Bureau of Collection and Investigative Services.....		297,194	297,194		313,870	313,870		325,394	325,394	
391	Division of Consumer Services.....	38,800		38,800	10,000		10,000	10,000		10,000	
391	Contractors' License Board.....		2,582,922	2,582,922		2,746,875	2,746,875		2,787,557	2,787,557	
392	Board of Cosmetology.....		766,793	766,793		884,403	884,403		885,993	885,993	
393	Board of Dental Examiners.....		222,405	222,405		300,003	300,003		301,581	301,581	
394	Board of Dry Cleaners.....		298,578	298,578		315,909	315,909		40,000	40,000	
395	Bureau of Employment Agencies.....		214,229	214,229		231,566	231,566		256,903	256,903	
396	Board of Funeral Directors and Embalmers.....		106,379	106,379		107,755	107,755		112,000	112,000	
397	Bureau of Furniture and Bedding Inspection.....		340,211	340,211		429,816	429,816		441,617	441,617	
398	Board of Registration for Geologists.....		57,535	57,535		55,920	55,920		55,640	55,640	
399	Board of Guide Dogs for the Blind.....	2,250		2,250	2,631		2,631	2,600		2,600	
399	Board of Landscape Architects.....		37,968	37,968		39,236	39,236		39,519	39,519	
401	Board of Medical Examiners.....		1,054,829	1,054,829		1,284,928	1,284,928		1,318,549	1,318,549	
403	Board of Examiners of Nursing Home Administrators.....					46,639	46,639		78,489	78,489	
404	Board of Nursing Education and Nurse Registration.....		645,763	645,763		743,413	743,413		749,053	749,053	
405	Nurses' Registry.....					8,200	8,200		13,764	13,764	
405	Board of Optometry.....		95,921	95,921		83,366	83,366		84,205	84,205	
406	Board of Osteopathic Examiners.....		13,365	13,365		14,793	14,793		13,788	13,788	
407	Board of Pharmacy.....		661,955	661,955		721,243	721,243		760,819	760,819	
408	Board of Registration for Professional Engineers.....		642,203	642,203		694,937	694,937		719,047	719,047	
409	Bureau of Repair Services.....		251,447	251,447		308,629	308,629		324,411	324,411	
410	Certified Shorthand Reporters' Board.....		37,298	37,298		42,829	42,829		43,012	43,012	
411	Structural Pest Control Board.....		523,819	523,819		555,638	555,638		536,432	536,432	
412	Board of Examiners in Veterinary Medicine.....		78,156	78,156		76,723	76,723		80,724	80,724	
	Board of Vocational Nurse and Psychiatric Technician Examiners.....		346,356	346,356		439,946	439,946		469,917	469,917	
Totals, Department of Consumer Affairs.....		\$208,670	\$10,468,813	\$10,677,483	\$182,151	\$11,718,879	\$11,901,030	\$105,400	\$11,827,073	\$11,992,473	
433	Board of Control.....										
436	State Exposition and Fair Executive Committee.....	\$105,785		\$105,785	\$121,085		\$121,085	\$121,085		\$121,085	
446	State Fire Marshal.....	1,307,211		1,307,211	1,291,651		1,291,651	1,288,859		1,288,859	
446	State Fire Marshal.....	903,612		903,612	911,518		911,518	895,103		895,103	
457	Franchise Tax Board.....	18,599,181		18,599,181	20,163,634		20,163,634	21,560,000		21,560,000	
486	Department of General Services.....	4,895,645		4,895,645	5,649,376		5,649,376	5,083,553		5,083,553	
521	Capitol Building and Planning Commission.....	573		573	5,101,948		5,101,948	4,939,500		4,939,500	
529	State Personnel Board.....	5,216,576		5,216,576	18,000		18,000	18,000		18,000	
539	Public Employees' Retirement System.....	22,500		22,500	1,431,468		1,431,468	1,287,000		1,287,000	
547	State Teachers' Retirement System.....	1,159,700		1,159,700							

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	STATE OPERATIONS—Continued									
	AGRICULTURE AND SERVICES—Continued									
	Department of Veterans Affairs:									
564	General Activities.....	\$3,271,894		\$3,271,894	\$3,120,877		\$3,120,877	\$2,821,546		\$2,821,546
565	Veterans' Home of California.....	4,903,985		4,903,985	4,226,178		4,226,178	3,785,192		3,785,192
	TOTALS, AGRICULTURE AND SERVICES.....	\$54,070,165	\$26,907,577	\$80,977,742	\$55,686,291	\$30,432,559	\$86,118,850	\$54,945,488	\$25,172,510	\$80,117,998
	BUSINESS AND TRANSPORTATION ¹									
	Business:									
6	Department of Alcoholic Beverage Control.....	\$5,768,829		\$5,768,829	\$6,263,557		\$6,263,557	\$6,263,277		\$6,263,277
9	Alcoholic Beverage Control Appeals Board.....	132,170		132,170	130,445		130,445	135,998		135,998
14	Banking Department.....	71,980	1,288,804	1,360,784		1,421,247	1,421,247		1,470,895	1,470,895
25	Department of Corporations.....	2,940,059		2,940,059	3,318,741		3,318,741	3,200,000		3,200,000
37	Department of Housing and Community Development.....	1,929,100		1,929,100	1,888,807		1,888,807	1,308,378		1,308,378
49	Department of Insurance.....	4,024,726		4,024,726	4,465,418		4,465,418	4,767,316		4,767,316
52	Riot and Civil Disorders Insurance.....				3,100,000		3,100,000	1,750,000		1,750,000
58	Department of Real Estate.....		3,376,960	3,376,960		3,349,450	3,349,450		3,822,668	3,822,668
65	Department of Savings and Loan.....		2,702,344	2,702,344		2,875,719	2,875,719		2,878,475	2,878,475
	Totals, Business.....	\$14,866,864	\$7,368,108	\$22,234,972	\$19,166,968	\$7,646,416	\$26,813,384	\$17,424,969	\$8,172,038	\$25,597,007
	Transportation:									
71	Office of Transportation Planning and Research.....				\$16,278	\$96,793	\$113,071	\$8,000	\$224,697	\$232,697
74	Special Transportation Services and Studies.....	\$99,124	\$83,009	\$182,133		53,426	53,426			
88	Department of Aeronautics.....		617,733	617,733		631,068	631,068		761,583	761,583
116	Department of California Highway Patrol.....		110,875,172	110,875,172		123,772,476	123,772,476		132,316,035	132,316,035
128	Vehicle Equipment Safety Commission.....		8,585	8,585		8,835	8,835		10,107	10,107
144	Department of Motor Vehicles.....		60,601,668	60,601,668		66,640,115	66,640,115		68,663,102	68,663,102
187	Department of Public Works.....		111,951,326	111,951,326		123,590,590	123,590,590		126,029,013	126,029,013
	Totals, Transportation.....	\$99,124	\$284,137,493	\$284,236,617	\$16,278	\$314,793,303	\$314,809,581	\$8,000	\$328,004,537	\$328,012,537
	TOTALS, BUSINESS AND TRANSPORTATION.....	\$14,965,988	\$291,505,601	\$306,471,589	\$19,183,246	\$322,439,719	\$341,622,965	\$17,432,969	\$336,176,575	\$353,609,544
	RESOURCES ¹									
285	Special Resource Services and Studies.....	\$87,768	\$20,735	\$108,503	\$136,778	\$275,053	\$411,831	\$50,000	\$200,000	\$250,000
292	Air Resources Board.....	681,108	1,175,479	1,856,587	80,000	6,456,795	6,536,795		6,399,601	6,399,601
296	California Advisory Committee.....	2,982		2,982	6,000		6,000	6,240		6,240
297	California-Nevada Interstate Compact Commission.....	11,632		11,632	26,650		26,650	27,500		27,500
300	Colorado River Board.....	293,645		293,645	255,655		255,655	157,804		157,804
317	Department of Conservation.....	43,308,081	1,298,349	44,606,430	45,425,617	1,430,644	46,856,261	42,551,629	1,541,636	44,093,265
340	State Lands Division.....	1,725,546		1,725,546	1,760,440		1,760,440	1,520,800	50,000	1,570,800
370	Department of Fish and Game.....		15,795,478	15,795,478		17,510,006	17,510,006	18,150,243		18,150,243
389	Wildlife Conservation Board.....		109,023	109,023		124,247	124,247		121,951	121,951
394	Klamath River Compact Commission.....	7,575		7,575	6,355		6,355	9,725		9,725
406	Department of Navigation and Ocean Development.....	180,551	9,692	190,243	324,684		324,684	284,177		284,177
424	Department of Parks and Recreation.....	18,979,149		18,979,149	20,358,832		20,358,832	20,449,855		20,449,855
446	Reclamation Board.....	285,425		285,425	243,616		243,616	1,464,000		1,464,000

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATE OPERATIONS—Continued										
RESOURCES—Continued										
452	San Francisco Bay Conservation and Development Commission.	172,905	---	172,905	275,730	---	275,730	259,000	---	259,000
527	Department of Water Resources.	12,220,469	---	12,220,469	12,604,273	---	12,604,273	10,430,700	---	10,430,700
554	Water Resources Control Board.	3,161,921	---	3,161,921	3,965,000	---	3,965,000	4,180,000	---	4,180,000
584	Bond Funds ⁶ .	---	---	---	---	(708,000)	(708,000)	---	(1,540,000)	(1,540,000)
TOTALS, RESOURCES		\$81,118,757	\$18,408,756	\$99,527,513	\$85,469,630	\$25,796,745 (708,000)	\$111,266,375 (708,000)	\$81,391,430	\$26,463,431 (1,540,000)	\$107,854,861 (1,540,000)
HUMAN RELATIONS ¹										
61	Department of Corrections.	\$98,509,635	---	\$98,509,635	\$103,929,699	---	\$103,929,699	\$106,487,239	---	\$106,487,239
159	Department of the Youth Authority.	46,095,459	---	46,095,459	49,722,063	---	49,722,063	50,545,473	---	50,545,473
246	Department of Human Resources Development.	9,524,206	\$637,644	10,161,850	10,313,553	\$696,633	11,010,186	9,862,711	\$725,139	10,587,850
273	Advisory Commission on Indian Affairs.	14,260	---	14,260	---	---	---	---	---	---
276	Job Development Corporation Law Executive Board.	184,951	---	184,951	485,722	---	485,722	401,314	---	401,314
301	Department of Industrial Relations.	22,634,150	---	22,634,150	22,538,946	---	22,538,946	21,702,374	---	21,702,374
Department of Mental Hygiene:										
336	Departmental Administration.	6,830,522	---	6,830,522	6,910,929	---	6,910,929	6,603,700	---	6,603,700
337	Research and Training.	1,401,526	---	1,401,526	8,383,894	---	8,383,894	4,704,393	---	4,704,393
337	Neuropsychiatric Institutes.	12,873,883	---	12,873,883	13,507,959	---	13,507,959	13,530,757	---	13,530,757
337	Hospitals for Mentally Ill.	30,992,878	---	30,992,878	33,842,050	---	33,842,050	16,510,315	---	16,510,315
337	Hospitals for Mentally Retarded.	65,816,777	---	65,816,777	68,652,713	---	68,652,713	83,983,873	---	83,983,873
Totals, Department of Mental Hygiene.		\$117,915,586	---	\$117,915,586	\$131,297,545	---	\$131,297,545	\$125,333,038	---	\$125,333,038
468	Department of Public Health.	\$12,662,034	\$64,795	\$12,726,829	\$12,686,409	\$54,800	\$12,741,209	\$10,762,700	\$71,913	\$10,834,613
504	Department of Rehabilitation.	7,228,371	---	7,228,371	6,901,733	---	6,901,733	7,118,098	---	7,118,098
559	Department of Social Welfare.	16,277,443	---	16,277,443	20,322,762	---	20,322,762	8,891,274	---	8,891,274
581	Workmen's Compensation Benefits for Subsequent Injuries.	1,526,698	---	1,526,698	1,699,000	---	1,699,000	1,770,000	---	1,770,000
TOTALS, HUMAN RELATIONS		\$332,572,793	\$702,439	\$333,275,232	\$359,897,432	\$751,433	\$360,648,865	\$342,874,221	\$797,052	\$343,671,273
EDUCATION ¹										
Education:										
1	Educational Research Commission.	---	---	---	---	---	---	---	---	---
Department of Education:										
61	Educational Commission of the States.	\$22,684	---	\$22,684	\$51,540	---	\$51,540	---	---	---
62	General Activities.	8,417,729	---	8,417,729	24,100	---	24,100	\$24,100	---	\$24,100
63	National Defense Education.	345,050	---	345,050	8,493,540	\$37,000	8,530,540	7,922,493	\$176,000	8,098,493
63	Elementary and Secondary Education Act.	403,329	---	403,329	161,968	---	161,968	167,200	---	167,200
64	Vocational Education.	851,926	---	851,926	---	---	---	---	---	---
66	Special Schools for the Physically Handicapped.	7,517,649	---	7,517,649	8,512,281	---	8,512,281	8,723,145	---	8,723,145
Totals, Department of Education.		\$17,558,367	---	\$17,558,367	\$17,191,889	\$37,000	\$17,228,889	\$16,836,938	\$176,000	\$17,012,938
67	Division of Libraries.	\$1,814,420	---	\$1,814,420	\$1,944,791	---	\$1,944,791	\$1,897,000	---	\$1,897,000
Totals, Education.		\$19,372,787	---	\$19,372,787	\$19,188,220	\$37,000	\$19,225,220	\$18,733,938	\$176,000	\$18,909,938

* Expenditures from bond funds not included in overall budget totals.

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATE OPERATIONS—Continued										
EDUCATION—Continued										
Higher Education:										
138	Coordinating Council for Higher Education.....	\$509,548		\$509,548	\$432,220		\$432,220	\$458,000		\$458,000
140	Western Interstate Commission for Higher Education.....	15,000		15,000	15,000		15,000	15,000		15,000
171	University of California.....	329,334,145	\$225,927	329,560,072	337,090,295	\$983,200	338,073,495	337,090,295	\$233,200	337,323,495
377	Hastings College of the Law.....	958,065		958,065	1,256,243		1,256,243	1,298,737		1,298,737
397	Trustees of the California State Colleges.....	284,962,524		284,962,524	310,597,216		310,597,216	315,972,193		315,972,193
613	Maritime Academy.....	808,125		808,125	803,631		803,631	791,000		791,000
633	Board of Governors of the Community Colleges.....	674,140		674,140	871,582		871,582	979,574		1,079,574
652	State Scholarship and Loan Commission.....	13,001,695		13,001,695	16,997,060		16,997,060	20,000,000		20,000,000
	Totals, Higher Education.....	\$630,263,242	\$225,927	\$630,489,169	\$668,063,247	\$1,083,200	\$669,146,447	\$676,604,799	\$333,200	\$676,937,999
	TOTALS, EDUCATION.....	\$649,636,029	\$225,927	\$649,861,956	\$687,251,467	\$1,120,200	\$688,371,667	\$695,338,737	\$509,200	\$695,847,937
	Credits to General Fund for Overhead Services Charged to Agencies Supported from Special Funds.....									
	Estimated Unidentifiable Savings.....	-\$12,612,762		-\$12,612,762	-\$11,800,000		-\$11,800,000	-\$12,800,000		-\$12,800,000
	Hiring and Related Freezes.....				-8,000,000		-8,000,000	-12,000,000		-12,000,000
					-15,000,000		-15,000,000			
	TOTALS, STATE OPERATIONS.....	\$1,315,000,916	\$345,630,549	\$1,660,631,465	\$1,390,426,208	\$395,170,184	\$1,785,596,392	\$1,410,731,769	\$407,439,002	\$1,818,170,771
	BOND FUNDS *.....		(16,112)	(16,112)		(810,101)	(810,101)		(1,620,000)	(1,620,000)
LOCAL ASSISTANCE										
GENERAL GOVERNMENT 1										
Judicial:										
17	Salaries of Superior Court Judges.....	\$9,163,695		\$9,163,695	\$10,484,809		\$10,484,809	\$10,910,220		\$10,910,220
18	Contributions to Judges Retirement Fund.....	2,905,876		2,905,876	1,743,073		1,743,073	2,059,000		2,059,000
	Totals, Judicial.....	\$12,069,571		\$12,069,571	\$12,227,882		\$12,227,882	\$12,969,220		\$12,969,220
General Administration:										
	Assistance to Cities and Counties for Peace Officers' Standards and Training.....									
95	Assistance to Counties for Public Defenders.....	\$3,700,000		\$3,700,000		\$5,168,770	\$5,168,770		\$5,200,000	\$5,200,000
113		\$775,000		775,000	\$775,000		775,000	\$775,000		775,000
	Totals, General Administration.....	\$775,000		\$4,475,000	\$775,000		\$5,943,770	\$775,000		\$5,975,000
Miscellaneous:										
247	Storm and Flood Damage Repair.....	\$281,122		\$7,917,020	\$1,518,878		\$5,081,585	\$1,200,000		\$1,200,000
248	Earthquake Damage Repair.....	-118,413		-118,413	-118,413		-118,413	-119,908		-119,908
	Totals, Miscellaneous.....	\$162,709		\$7,798,607	\$1,400,465		\$4,963,172	\$1,080,092		\$1,080,092
Property Tax Relief:										
249	Senior Citizens' Property Tax Assistance.....	\$7,858,999		\$7,858,999	\$8,600,000		\$8,600,000	\$10,000,000		\$10,000,000
250	Personal Property Tax Relief.....	41,915,991		48,852,648	93,928,571		90,545,761	79,000,000		98,755,000
251	Homeowners' Property Tax Relief.....	192,592,179		199,693,836	217,700,000		217,700,000	235,000,000		235,000,000
	Totals, Property Tax Relief.....	\$242,367,169		\$256,405,483	\$320,228,571		\$316,845,761	\$324,000,000		\$343,755,000

* Expenditures from bond funds not included in overall budget totals.
¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	LOCAL ASSISTANCE—Continued									
	GENERAL GOVERNMENT—Continued									
	Shared Revenue:									
	For General Government:									
271	Apportionment of Liquor License Fees.....		\$10,643,977	\$10,643,977		\$14,800,000	\$14,800,000		\$13,000,000	\$13,000,000
272	Apportionment of Highway Properties Rental Receipts.....		1,499,096	1,499,096		1,853,650	1,853,650		1,900,000	1,900,000
	For County or City Purposes:									
272	Apportionment of Motor Vehicle License Fees.....		221,523,174	221,523,174		239,130,000	239,130,000		253,640,000	253,640,000
272	Apportionment of Cigarette Tax.....		68,858,681	68,858,681		74,772,527	74,772,527		74,250,000	74,250,000
	Apportionment of Highway Carriers Uniform Business License Tax.....				875,000		875,000	1,200,000		1,200,000
272	For Cities and Counties Tideland Development:									
272	Apportionment of Tideland Revenue.....	142,274		142,274	205,000		205,000	205,000		205,000
273	For County Roads:									
	Apportionment of Motor Vehicle Fuel Tax.....		139,139,479	139,139,479		146,200,000	146,200,000		153,000,000	153,000,000
273	For City Streets:									
	Apportionment of Motor Vehicle Fuel Tax.....		63,561,637	63,561,637		66,800,000	66,800,000		69,800,000	69,800,000
273	For County Roads and City Streets:									
	Apportionment of Motor Vehicle Fuel Tax.....		88,978,115	88,978,115		93,600,000	93,600,000		97,900,000	97,900,000
	Totals, Shared Revenues.....	\$142,274	\$594,204,159	\$594,346,433	\$1,080,000	\$637,156,177	\$638,236,177	\$1,405,000	\$663,490,000	\$664,895,000
	TOTALS, GENERAL GOVERNMENT.....	\$255,516,723	\$619,578,371	\$875,095,094	\$335,711,918	\$642,504,844	\$978,216,762	\$340,229,312	\$688,445,000	\$1,028,674,312
	AGRICULTURE AND SERVICES¹									
319	Salaries of County Agricultural Commissioners.....	\$170,985		\$170,985	\$171,600		\$171,600	\$171,600		\$171,600
320	Assistance to Cities and Counties for Land Under Contract.....	446		446	446		446	446		446
320	Payment to Counties for Agricultural Programs.....					\$1,250,000	1,250,000		\$819,000	819,000
334	Assistance to County Agricultural Fairs and Citrus Fruit Fairs.....		\$2,974,448	2,974,448		2,777,500	2,777,500	—192,500	1,919,500	1,727,000
	TOTALS, AGRICULTURE AND SERVICES.....	\$171,431	\$2,974,448	\$3,145,879	\$172,046	\$4,027,500	\$4,199,546	\$—20,454	\$2,738,500	\$2,718,046
	BUSINESS AND TRANSPORTATION¹									
89	Airport Assistance.....		\$1,224,495	\$1,224,495		\$2,305,513	\$2,305,513		\$2,229,978	\$2,229,978
187	Local Roads and Highways.....		12,505,081	12,505,081		15,302,667	15,302,667		9,270,000	9,270,000
188	Grade Crossing Protection Works.....		5,618,375	5,618,375		8,684,359	8,684,359		6,700,000	6,700,000
188	San Francisco-Oakland Southern Crossing.....		2,300,000	2,300,000		1,200,000	1,200,000		1,000,000	1,000,000
188	Dumbarton Bridge Replacement Study.....		60,480	60,480		640,000	640,000		1,000,000	1,000,000
282	Southern California Rapid Transit District.....	\$354,000		354,000	\$273,921		273,921			
	TOTALS, BUSINESS AND TRANSPORTATION.....	\$354,000	\$21,708,431	\$22,062,431	\$273,921	\$28,132,539	\$28,406,460		\$19,199,978	\$19,199,978
	RESOURCES¹									
409	State Financial Assistance to Local Agencies for Boating Facilities Enforcement and Beach Erosion Control.....	\$—539,982	\$3,790,973	\$3,250,991	\$427,500	\$3,788,047	\$4,216,147	\$52,800	\$3,784,993	\$3,837,793
426	Grants to Local Government for Recreation ^d		(5,440,364)	(5,440,364)		(5,448,901)	(5,448,901)		(1,088,820)	(1,088,820)

¹ Page references relate to appropriate volumes of the Budget Supplements.

^d From the State Beach, Park, Recreational and Historical Facilities Fund—expenditures from bond funds not included in overall budget totals.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	LOCAL ASSISTANCE—Continued									
	RESOURCES—Continued									
	Department of Water Resources:									
528	Flood Control.....	4,006,892		4,006,892	3,774,000		3,774,000	3,673,300		3,673,300
528	Beach Erosion Control.....	10,000		10,000						
585	Assistance for Construction of Water Quality Projects.....									
	TOTALS, RESOURCES	\$3,476,910	\$3,790,973 (5,440,364)	\$7,267,883 (5,440,364)	\$4,201,500	\$3,788,647 (10,448,901)	\$7,990,147 (10,448,901)	\$3,726,100	\$3,784,993 (51,088,820)	\$7,511,093 (51,088,820)
	HUMAN RELATIONS¹									
	Youth Authority:									
160	Assistance to Counties for Maintenance of Juvenile Homes and Camps.....	\$3,186,019		\$3,186,019	\$3,316,340		\$3,316,340	\$3,337,340		\$3,337,340
160	Assistance to Counties for Construction of Juvenile Homes and Camps.....	84,000		84,000	600,000		600,000	600,000		600,000
160	Assistance for Control of Juveniles including Construction of Border Check Stations.....	104,560		104,560	219,635		219,635	129,635		129,635
160	Assistance to County Delinquency Prevention Commissions.....	227,613		227,613	127,200		127,200	227,200		227,200
161	Assistance to Counties for Special Probation Supervision Pro- grams.....	12,731,557		12,731,557	14,712,500		14,712,500	15,900,000		15,900,000
161	Assistance to Counties for Pilot Youth Service Bureaus.....	99,172		99,172	50,000		50,000			
	Subtotals, Youth Authority	\$16,432,921		\$16,432,921	\$19,025,675		\$19,025,675	\$20,194,175		\$20,194,175
222	Department of Health Care Services.....	\$387,621,942		\$387,621,942	\$484,691,859		\$484,691,859	\$589,120,692		\$589,120,692
	Mental Hygiene:									
338	Assistance to Local Agencies for Mental Health Services.....	150,357,444		150,357,444	165,339,612		165,339,612	186,938,327		186,938,327
	Public Health:									
470	Assistance to Counties for Care of Crippled Children.....	13,590,621		13,590,621	13,618,400		13,618,400	12,680,400		12,680,400
470	Assistance to Counties for Tuberculosis Sanatoria.....	2,149,207		2,149,207	1,021,424		1,021,424	1,021,424		1,021,424
471	Assistance to Counties without Local Health Departments.....	664,050		664,050	753,881		753,881	780,227		780,227
472	Assistance to Local Health Departments.....	4,743,172		4,743,172	4,997,545		4,997,545	4,797,545		4,797,545
473	Assistance to Local Agencies for Mental Retardation Services.....	3,705,365		3,705,365	5,878,057		5,878,057	20,647,653		20,647,653
473	Assistance to Local and Nonprofit Agencies for Hospital Con- struction.....	—49,497		—49,497	49,497		49,497			
	Subtotals, Public Health	\$24,802,918		\$24,802,918	\$26,318,804		\$26,318,804	\$39,927,249		\$39,927,249
	Social Welfare:									
561	Public Assistance Programs									
560	Aid to Blind.....	\$8,459,969		\$8,459,969	\$9,536,500		\$9,536,500	\$650,421,600		\$650,421,600
561	Aid to Disabled.....	95,948,894		95,948,894	125,279,900		125,279,900			
561	Aid to Families with Dependent Children.....	256,774,211		256,774,211	349,117,300		349,117,300			
561	Old Age Security.....	158,433,731		158,433,731	171,902,800		171,902,800			
561	Out-of-Home Care.....	21,181,500		21,181,500	23,978,400		23,978,400			
561	Attendant Care.....	20,857,800		20,857,800	24,465,700		24,465,700			
561	Unmet Shelter Needs.....	1,450,281		1,382,764	1,500,000		1,500,000			
	Subtotals, Public Assistance Programs	\$563,106,386	\$—67,517	\$563,038,869	\$705,780,600		\$705,780,600	\$650,421,600		\$650,421,600

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- erence	Organization Unit	Actual 1969-70		Estimated 1970-71		Estimated 1971-72	
		General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
	LOCAL ASSISTANCE—Continued						
	HUMAN RELATIONS—Continued						
	Social Welfare—Continued						
562	Local Administration of Public Assistance Programs.....	\$98,719		1,168,381		2,200,000	
562	Special Social Service Programs.....	16,057,532		14,472,109		15,045,719	
	Subtotals, Social Welfare.....	\$580,062,637	\$ - 67,517	\$721,421,090		\$667,667,319	
582	Workmen's Compensation for Disaster Service Workers.....	\$100,107		\$106,000		\$110,000	
	TOTALS, HUMAN RELATIONS.....	\$1,159,377,969	\$ - 67,517	\$1,416,903,040		\$1,503,957,762	
	EDUCATION¹						
	Education:						
68	Appointments for Public Schools.....	\$1,422,168,242	\$2,855,009	\$1,425,023,251	\$20,976,408	\$1,459,400,000	\$23,000,000
69	Loans to School Districts.....	548,037		548,037		- 197,679	
69	Educational Improvement Act.....	4,941,081		4,941,081		800,000	
70	Instructional Television.....	696,027		696,027		11,000,000	
70	Compensatory Education.....	10,834,260		10,834,260		18,360,000	
70	Special Elementary School Reading Instruction Program.....	22,407,901		22,407,901		925,000	
71	Mathematics Improvement Program.....	924,199		924,199		10,399,712	
71	Children's Centers.....	8,715,500		8,715,500		344,540	
71	Children's Centers Construction.....	1,655,460		1,655,460		150,000	
72	Grants to Teachers of Physically Handicapped Children.....	148,879		148,879			
72	Loans to Teachers of Educationally Handicapped Children.....	50,000		50,000			
72	State School Lunch Program.....	500,000		500,000			
73	Free Textbooks.....	22,692,923		22,692,923		17,828,000	
73	Assistance to Public Libraries.....	1,251,616		1,251,616		800,000	
74	Vocational Education—Reimbursements to School Districts.....	720,241		720,241		800,000	
74	Assistance to New Junior Colleges.....	- 9,441		- 9,441			
	Subtotals, Education.....	\$1,498,245,015	\$2,855,009	\$1,501,100,024	\$20,976,408	\$1,519,567,987	\$23,000,000
126	Contributions to Teachers' Retirement Fund.....	\$79,000,000		\$91,000,000		\$26,000,000	
130	Debt Service on Public School Building Bonds.....	47,375,681		51,513,820		57,906,808	
634	Community Colleges Extended Opportunity Program.....	2,940,373		4,505,347		3,350,000	
	TOTALS, EDUCATION.....	\$1,627,561,069	\$2,855,009	\$1,665,264,194	\$20,976,408	\$1,606,824,795	\$23,000,000
	TOTALS, LOCAL ASSISTANCE.....	\$3,046,458,102	\$650,839,715	\$3,697,297,817	\$699,429,938	\$3,454,717,515	\$737,108,471
			(5,440,364)	(5,440,364)	(10,448,901)		(51,088,820)

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Organization Unit	Page Ref- er- ence	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CAPITAL OUTLAY °										
State Building Program-----	°	\$87,526,004	\$53,440,973 (28,061,192)	\$140,966,977 (28,061,192)	\$72,642,482	\$-55,104,761 (59,282,597)	\$17,537,721 (59,282,597)	\$10,150,000	\$2,932,599 (28,010,959)	\$13,082,599 (28,010,959)
District Fair Construction Program-----	°	50,000	1,663,872	1,713,872	-300,000	2,627,857	2,327,857	-1,850,000	2,234,000	384,000
State Highway Program-----	°	-----	459,856,694	459,856,694	-----	360,658,203	360,658,203	-----	343,529,218	343,529,218
Wildlife Conservation Program-----	•	-----	6,070,021 (817,249)	6,070,021 (817,249)	-----	-23,579 (1,066,566)	-23,579 (1,066,566)	-----	1,352,100 (180,000)	1,352,100 (180,000)
Parks and Recreation Acquisition and Development Program-----	°	4,955,680	-----	4,955,680	3,965,439	200,078	4,165,517	100,000	-----	100,000
California Water Facilities Program-----	°	2,091,352	(5,293,156) 1,337,429	(5,293,156) 3,428,781	1,235,000	(27,378,133) 1,235,000	(27,378,133) 1,235,000	1,587,000	(26,998,112) -----	(26,998,112) -----
TOTALS, CAPITAL OUTLAY-----		\$94,623,036	\$522,368,989 (321,394,974)	\$616,992,025 (321,394,974)	\$77,542,921	\$308,357,798 (409,527,780)	\$385,900,719 (409,527,780)	\$9,987,000	\$350,047,917 (315,851,281)	\$360,034,917 (315,851,281)
TOTAL EXPENDITURES:										
STATE OPERATIONS-----		\$1,315,000,916	\$345,630,549 (16,112)	\$1,660,631,465 (16,112)	\$1,390,426,208	\$395,170,184 (810,101)	\$1,785,596,392 (810,101)	\$1,410,731,769	\$407,439,002 (1,620,000)	\$1,818,170,771 (1,620,000)
Bond Funds °-----		-----	650,839,715	3,697,297,817 (16,112)	3,422,526,619	699,429,938	4,121,956,557	3,454,717,515	737,168,471	4,191,885,986
LOCAL ASSISTANCE-----		3,046,458,102	-----	-----	-----	-----	-----	-----	-----	-----
Bond Funds °-----		-----	(5,440,364)	(5,440,364)	-----	(10,448,901)	(10,448,901)	-----	(51,088,820)	(51,088,820)
CAPITAL OUTLAY-----		94,623,036	522,368,989	616,992,025	77,542,921	308,357,798	385,900,719	9,987,000	350,047,917	360,034,917
Bond Funds °-----		-----	(321,394,974)	(321,394,974)	-----	(409,527,780)	(409,527,780)	-----	(315,851,281)	(315,851,281)
TOTALS, EXPENDITURES-----		\$4,456,082,054	\$1,518,839,253 (326,851,450)	\$5,974,921,307 (326,851,450)	\$4,890,495,748	\$1,402,957,920 (420,786,782)	\$6,293,453,668 (420,786,782)	\$4,875,436,284	\$1,494,655,390 (368,560,101)	\$6,370,091,674 (368,560,101)
Bond Funds °-----		-----	-----	-----	-----	-----	-----	-----	-----	-----

° Expenditures from bond funds not included in overall budget totals.

• See Capital Outlay Budget for details.

CLASSIFICATION OF FUNDS IN THE STATE TREASURY

The Budget totals of revenues and expenditures reflect the activities of many separate funds. See Schedules 4 and 5 for complete list of these funds. They are segregated into the following classifications:

GENERAL FUND—Consists of money received into the State Treasury not required by law to be credited to any other fund, to be used for general purposes of State Government.

SPECIAL FUNDS—Funds created to receive certain revenues or to finance particular activities which are for general purposes of State Government or are for activities subject to the regulatory or police powers of the state.

OTHER FUNDS—See Schedule 5 for list of funds which are not included in the Budget totals. They consist of moneys which were derived from sources other than general or special taxes, licenses, fees or other state revenues. There are receipts from the Federal Government, funds created for accounting purposes, receipts from sale of lands, or moneys held in trust. Funds not included in the Budget totals are segregated into the following classifications:

Working Capital and Revolving Funds—Funds created to finance services for governmental agencies for which charges are made at cost to maintain a fixed accountability. The charges are reflected as expenditures in the Budget at the agency receiving the commodity or service.

Public Service Enterprise Funds—Activities operated under state control for the benefit of the public. Funds are derived from charges to those who use the service and no support is derived from taxes, licenses or other state revenues. These functions are not subject to the regulatory or police powers of the state.

Bond Funds—To hold proceeds from the sale of bonds and to finance projects for which the bonds were authorized. The cost to the state is charged at the time interest payments are made and when the bonds are redeemed. (See Treasury funds for which no detailed transactions are reported in the Budget.)

Retirement Funds—Moneys held in trust by the state for retirement benefit payments.

Debt Service Funds—Moneys held by the state to be used for payment of interest or for redemption of bonds.

Trust and Agency Funds—Funds holding moneys in trust pending disbursements to trustors, moneys received from the Federal Government to be expended for specific purposes, and other funds which do not derive their sources from taxes or other state revenues, or are in the nature of transitory funds created for the convenience of accounting receipts or disbursements which are not necessarily revenues or expenditures.

Schedule 4

SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1969, 1970, 1971, AND 1972

Fund	Accumulated surplus June 30, 1969	Actual income 1969-70	Actual expenditures 1969-70	Transfers between funds	Accumulated surplus June 30, 1970	Estimated income 1970-71	Estimated expenditures 1970-71	Transfers between funds	Accumulated surplus June 30, 1971	Estimated income 1971-72	Estimated expenditures 1971-72	Transfers between funds	Accumulated surplus June 30, 1972
GENERAL FUND	\$636,642,716	\$4,330,494,477	\$4,456,062,064		\$144,779,956 1238,242,091 2130,023,090	\$4,613,091,617	\$4,690,405,746		\$-124,431,306 1346,254,000 211,618,314	\$5,039,129,972	\$4,676,438,264		\$1,056,796 1387,316,000 259,900
<i>Transfers from Other Funds:</i>													
California Museum of Science and Industry Fund						(+166,401)		(+166,401)					
Capital Outlay Fund for Public Higher Education						(+31,700,000)		(+31,700,000)					
California Water Fund						(+15,740,000)		(+15,740,000)					
Department of Human Resources Development Contingent Fund						(+8,764,805)		(+8,764,805)					
Poultry Testing Project Fund													
<i>Transfers to Other Funds:</i>													
Assembly Contingent Fund													
California Museum of Science and Industry Fund						(+671,355)		(+671,355)					
Capital Outlay Fund for Public Higher Education						(+6,000,000)		(+6,000,000)					
Contingent Funds of the Assembly and Senate						(+4,083,630)		(+4,083,630)					
Property Tax Relief Fund						(+41,915,991)		(+41,915,991)					
Senate Contingent Fund						(+5,806,000)		(+5,806,000)					
SPECIAL FUNDS:													
Agriculture Fund	6,661,615	12,370,500	10,763,051		5,517,576 2,651,488 616,359	11,663,156	14,524,576		5,272,568 2,573,776 1,570,106	6,473,061	9,324,232	+2,316,000	4,821,969 2,402,204 *999,493
Aeronautics Fund	850,679	-1,394,554	529,055			-1,408,950	2,968,661			-1,517,700	3,062,915	+4,000,000	
Airport Assistance Revolving Fund	1,369,697	161,704	1,390,021										
Alcohol Beverage Control Fund	842,446	12,438,375	10,643,977			13,000,000	14,900,000			13,000,000	13,000,000		
Architecture Public Building Fund													
Assembly Contingent Fund													
Banking Fund													
California Environmental Protection Program Fund													
California Museum of Science and Industry Fund													
California Water Fund													
Capital Outlay Fund for Public Higher Education													
Chiropractic Examiners Fund													
Cigarette Tax Fund													
Collection Agency Fund													
Contingent Funds of the Assembly and Senate													

Schedule 4—SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1969, 1970, 1971, AND 1972—Continued

Fund	Accumulated surplus June 30, 1969	Actual income 1969-70	Actual expenditures 1969-70	Transfers between funds	Accumulated surplus June 30, 1970	Estimated income 1970-71	Estimated expenditures 1970-71	Transfers between funds	Accumulated surplus June 30, 1971	Estimated income 1971-72	Estimated expenditures 1971-72	Transfers between funds	Accumulated surplus June 30, 1972
SPECIAL FUNDS—Continued													
Repair Services Fund.....	235,868	259,234	251,447		243,655	269,880	308,629		204,906	262,810	324,411		143,305
Bureau of Employment Agencies Fund.....	310,445	180,049	214,229		276,285	165,250	231,566		209,949	165,500	256,903		118,546
Fair and Exposition Fund.....	2,434,953	8,162,613	8,481,558	(-285,000)	183,250	7,768,742	9,239,750	-285,000	*100,000	8,168,050	8,001,050	-285,000	
				(-15,000)	*1,670,768	17,394,858	16,762,328		4,316,108	17,745,500	18,752,874		3,511,456
Fish and Game Preservation Fund.....	9,214,306	16,114,220	21,441,936		*1,913,933	86,175	55,920		*202,722	6,710,000	55,940		55,838
					78,198	44,355,200	510,094,908	+462,324,830	108,453	1,950,000	1,900,000	+479,819,218	1,949,347
Geology Fund.....	-15,831	151,584	57,535	+482,631,527	1,852,997	1,900,000	1,853,850		1,899,347			+710,011,472	
Highway Fund.....	97,355,821	16,720,818	592,293,288	+107,174,290	*73,385,390			+84,155,212	47,241			+5,500,003	
Highway Properties Rental Fund.....	1,499,661	1,852,432	1,499,096	+16,393,723				+11,417,233	*81,500,000	320,700,000		-479,819,218	*85,000,000
				-482,831,527				-482,324,830					
Highway Users Tax Fund.....	*74,184,404		291,679,231	-11,705,237			306,894,759						
Homeowners Property Tax Relief Fund.....	7,091,225		7,061,225										
Department of Human Resources Development Con- tingent Fund.....	1,044,930	3,226,295	472,038	(-2,799,189)	1,000,000	3,290,000	535,395		1,000,000	3,475,000	570,136	(-2,904,884)	1,000,000
Indemnity Fund.....	1,161	4,797	5,080		878	2,000	2,878			2,000	2,000		
Motor Vehicle Fund.....	58,534,212	274,637,455	172,105,155	-107,174,290	*53,892,222	288,996,848	203,144,152	-84,155,212	*55,559,504	304,766,536	213,841,138	-88,460,502	*56,222,400
				-3,339,369				-3,600,000	*1,000,000	722,792,029	6,461,557	-710,011,472	*1,000,000
				-686,648,988	*1,027,345	688,948,710	6,278,080	-2,319,000		286,346,000	262,402,983	-2,319,000	31,198,910
Motor Vehicle Fuel Fund.....	2,589,876	674,677,449	6,231,613						27,255,573	26,742,826	21,243,895	-5,500,003	*498,650
Motor Vehicle License Fee Fund.....	18,524,363	234,297,262	229,374,950		23,446,675	251,303,000	247,493,802		*499,922				8,378
Motor Vehicle Transportation Tax Fund.....	69,155	23,591,099	1,223,241	-16,393,723	*6,043,290	25,137,756	19,283,891	-11,417,233					10,769,483
Osteopathic Examiners, Contingent Fund of the Board of.....	9,852	13,482	13,385		9,989	13,980	14,793		9,138	13,030	13,788		100,000
Peace Officers Training Fund.....	3,349,057	7,953,410	4,079,814		7,222,653	7,380,000	5,845,733		8,956,120	7,580,000	5,747,437		23,434
Petroleum and Gas Fund.....	176,438	1,133,873	1,180,128		124,283	1,248,699	1,304,071		69,981	1,437,336	1,409,747		
					*5,900				*3,150	28,184	34,224		
Pilot Commissioner's Special Fund.....	42,801	23,453	27,991		38,083	25,142	33,731		29,474				
Poultry Testing Project Fund.....	26,058	1,000		(-27,058)									
Professional and Vocations Funds:													
Accountancy Fund.....	576,953	186,924	359,181		403,696	537,985	382,089		579,482	144,875	412,419		311,938
Architectural Examiners Fund.....	524,925	221,035	128,243		619,717	104,335	139,261		584,791	226,550	148,849		882,492
Barber Examiners Fund.....	-17,193	934,690	444,049		473,448	202,550	465,818		210,180	993,180	491,001		712,339
Behavioral Sciences Examiners Fund.....	167,118	231,117	96,080		302,155	119,000	115,455		308,890	169,540	140,855		334,345
Cemetery Fund.....	34,604	71,969	76,328		26,745	85,400	83,453		31,862	72,260	83,793		20,129
Contractors' License Fund.....	276,378	5,172,921	2,582,922		2,888,377	814,900	2,746,875		934,402	4,810,500	2,787,557		2,967,345
Cosmetology's Contingent Fund.....	1,042,831	338,189	788,793		615,207	1,726,580	884,403		1,457,684	375,780	885,953		947,471
Dentistry Fund.....	187,770	430,341	222,405		395,706	215,450	300,003		311,153	402,912	301,581		412,484
Dry Cleaners Fund.....	80,477	141,061	420,258		416,265	790,290	439,029		787,556	112,000	183,120		604,436
Furniture and Bedding Inspection Fund.....	895,492	114,032	108,379		88,130	121,825	107,755		82,200	84,900	441,617		89,950
Funeral Directors' and Embalmers Fund.....	83,477	87,359	340,211		580,562	788,133	429,816		918,889	31,250	28,330		562,152
Hearing Aid Dispensers Fund.....						78,756	27,096		51,654	41,617	39,519		54,574
Landscape Architects Fund.....						8,860	39,236		8,841	58,550	27,872		27,872
Medical Examiners Contingent Fund.....	22,045	57,340	37,968		41,417	8,560			3,003,958	1,793,700	1,255,090		3,545,588
	2,572,510	2,074,498	1,026,027		3,620,981	613,190	1,294,215						

Schedule 4—SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1969, 1970, 1971, AND 1972—Continued

Fund	Accumulated surplus June 30, 1969	Actual income 1969-70	Actual expenditures 1969-70	Transfers between funds	Accumulated surplus June 30, 1970	Estimated income 1970-71	Estimated expenditures 1970-71	Transfers between funds	Accumulated surplus June 30, 1971	Estimated income 1971-72	Estimated expenditures 1971-72	Transfers between funds	Accumulated surplus June 30, 1972
SPECIAL FUNDS—Continued													
Professional and Vocations Funds—Continued													
Nurses Registry Fund.....	434,957	637,555	645,763		426,779	16,150	8,200		7,050	15,000	13,704		9,166
Nursing Education and Nurse Registration Fund.....						774,400	743,413		457,766	835,900	740,053		544,013
Nursing Home Administrators State License Examining Board Fund.....						110,520	46,630		63,861	89,960	76,489		75,352
Optometry Fund.....	117,178	12,773	05,021		34,030	146,425	83,366		84,205	9,675	06,069		24,550
Pharmacy Board Contingent Fund.....	6,972	070,907	601,055		324,824	394,493	721,243		—1,026	051,393	760,810		186,048
Physical Therapy Fund.....	106,271	96,410	28,802		174,688	13,750	33,617		155,021	66,620	35,120		206,712
Private Investigator and Adjuster Fund.....	140,946	184,573	110,370		218,142	02,700	120,732		190,120	125,160	114,472		200,738
Professional Engineers Fund.....	515,632	453,081	642,203		326,710	861,430	694,037		513,203	376,300	719,047		170,450
Shorthand Reporters' Fund.....	127,696	26,741	37,268		117,442	88,000	42,829		102,613	22,500	43,012		142,101
Structural Pest Control Fund.....	524,697	406,690	523,619		496,708	524,760	555,638		408,690	521,655	536,432		454,313
Veterinary Examiners' Contingent Fund.....	23,638	211,185	78,150		150,067	32,258	76,723		112,202	232,145	80,724		263,023
Vocational Nurse and Psychiatric Technician Examiners Fund.....	768,463	316,601	346,356		770,306	774,102	536,946		1,005,064	229,275	569,017		664,422
Property Tax Relief Fund.....	41,999,606		48,652,646		35,063,151		00,545,701		38,445,961		08,755,060		18,690,061
Real Estate Education, Research and Recovery Fund.....	657,506	661,210	530,607		706,726	749,000	436,540		1,109,188	771,000	431,601		1,448,587
Real Estate Fund.....	966,775	4,475,025	2,670,178		2,494,522	4,764,600	3,044,110		4,214,412	4,866,600	3,524,207		5,558,145
Savings and Loan Inspection Fund.....	2,461,614	2,664,031	2,702,344		2,443,601	2,597,745	2,875,710		2,165,627	2,557,020	2,678,475		1,644,772
Senate Contingent Fund.....	1,656,754		5,662,660		1,600,154		—0,146,400		1,381,554		6,453,700		1,361,554
Snowmobile Trust Fund.....						0,060			0,060	11,600	—0,453,700		20,000
State Fair Fund.....	105,140		240,262		126,678		394,277		601		265,001		106,801
State School Fund.....	130,017	2,712,234	2,721,946		120,303	2,698,558	2,700,080		116,861	2,640,000	2,050,060		106,801
State School Construction Fund.....	106,462				166,402				108,162				8,369,336
Street and Highway Disaster Fund.....	6,306,512	641,237	7,619,623		11,333,103	321,372	3,502,707		900,328	277,503	131,889		100,000
Subsidence Abatement Fund.....	101,977	120,405	116,221		104,251	121,647	126,573		90,325	132,564	5,968,063		3,135,292
Transportation Rate Fund.....	3,553,129	5,509,024	5,400,140		3,602,004	5,412,400	5,650,179		3,248,225	5,706,000	671,051		1,471,770
Wildlife Restoration Fund.....	1,169,111	604,864	033,427		1,466,566	862,650	874,247		1,478,971	664,750			—1,632,000
Yacht and Ship Brokers Fund.....	20,446	2,025	0,662								4,632,000		
Augmentation for Salary Increases.....													
TOTALS, SPECIAL FUNDS.....	\$363,230,743	\$1,412,272,087	\$1,516,639,253	\$9—16,782	\$69,798,664	\$1,431,721,431	\$1,402,057,920		\$118,066,714	\$1,467,724,421	\$1,404,655,390		\$116,670,381
					\$194,166,543				\$164,144,666				\$160,314,252
					\$2,651,368				\$2,573,776				\$2,492,204
					\$5,900				\$3,150				\$100
GRAND TOTALS, ALL STATE FUNDS.....	\$1,601,673,450	\$5,742,756,564	\$5,074,021,307	\$9—16,782	\$204,578,822	\$6,044,813,048	\$6,293,453,666		\$—5,744,502	\$6,536,654,393	\$6,370,091,074		\$118,027,277
					\$238,242,091				\$346,254,000				\$397,315,000
					\$130,023,000				\$1,818,314				\$59,960
					\$164,166,543				\$164,144,666				\$160,314,252
					\$2,651,466				\$2,573,776				\$2,492,204
					\$5,660				\$3,150				\$100

¹ General Fund—Reserve for Working Capital.
² General Fund—Unencumbered Balance of Continuing Appropriations:
 State Operations..... 016,314 59,960
 Local Assistance..... 1,200,600
 Capital Outlay..... 10,000,000
 Total Unencumbered Balance of Continuing Appropriations—General Fund \$11,918,314 \$59,900
³ Special Funds—Reserve for Unencumbered Balance of Continuing Appropriations.
⁴ Invested in Agriculture Building Fund.
⁵ Reserve for Geothermal Energy Account.
⁶ Transfer to Harbors and Watercraft Revolving Fund—Non Governmental Cost Fund.

Schedule 5

STATEMENT OF BALANCES IN OTHER TREASURY FUNDS WHICH ARE NOT INCLUDED IN THE BUDGET TOTALS

Fund	Balance June 30, 1969				Balance June 30, 1970			
	Cash	Securities	Due From Surplus Money Investment Fund	Total	Cash	Securities	Due From Surplus Money Investment Fund	Total
WORKING CAPITAL AND REVOLVING FUNDS:								
Agriculture Building Fund.....	\$36,433			\$36,433	\$17,926			\$17,926
Architecture Revolving Fund.....	75,980,473			75,980,473	63,865,042			63,865,042
Ballot Paper Revolving Fund.....	2,329			2,329	31,277			31,277
California Industries for the Blind Manufacturing Fund.....	192,573			192,573	86,014			86,014
Correctional Industries Revolving Fund.....	1,325,800			1,325,800	1,428,879			1,428,879
General Obligation Bond Expense Revolving Fund.....	65,560			65,560	75,000			75,000
Harbors and Watercraft Revolving Fund.....	407,090		\$9,850,000	10,257,090	147,091		\$9,250,000	9,397,091
Highway Right of Way Acquisition Fund.....	6,141,632			6,141,632	192,304			192,304
Opportunity Work Centers Revolving Fund.....	19,026			19,026	20,533			20,533
Old Age and Survivors Insurance Revolving Fund.....	888,314			888,314	1,751,379			1,751,379
Public Building Construction Fund.....	876,897		1,150,000	2,026,897	1,222,706		635,000	1,857,706
Service Revolving Fund.....	1,023,496			1,023,496	1,228,462			1,228,462
Revolving Loan Fund.....	21,876			21,876	24,347			24,347
School District Organization Revolving Fund.....	376,200			376,200	378,660			378,660
State Payroll Revolving Fund.....	126,891,424			126,891,424	137,763,399			137,763,399
State Water Quality Control Fund.....	1,420,000			1,420,000	942,090			942,090
Surplus Education Property Revolving Fund.....	114,434		550,000	664,434	162,475		450,000	612,475
Surplus Money Investment Fund.....	379,778,232		-379,778,000	232	273,824,734		-267,038,750	6,785,984
Water Rights Board Revolving Fund.....	79,301			79,301				
Water Resources Revolving Fund.....	650,550			650,550	2,607,805		600,000	2,607,805
Professions and Vocations Fund.....					701,281			701,281
Water Resources Control Board Revolving Fund.....					92,166			92,166
PUBLIC SERVICE ENTERPRISE FUNDS:								
San Francisco Harbor Funds:								
San Francisco Harbor Improvement Fund.....	15,556			15,556	16			16
Harbor Bond Sinking Fund.....					1,241,969			1,241,969
San Francisco Seawall Sinking Fund No. 2.....					151,440			151,440
San Francisco Seawall Sinking Fund No. 3.....					188,400			188,400
Toll Bridge Funds:								
San Francisco-Oakland Bay Bridge Construction Fund.....	9,091	\$39,373		48,464	4,561	\$39,373	20,000	63,934
San Francisco-Oakland Bay Bridge Toll Revenue Fund.....	830,864	4,735,247		5,566,111	70,539		3,790,000	3,860,539
Toll Bridge Authority Revolving Fund.....	50,000			50,000	3,984			3,984
Carquinez Strait Bridges Construction Fund.....	9,356	73,481		82,837	5,851		80,000	85,851
San Pedro-Terminal Island Toll Bridge Construction Fund.....	19,040			19,040	4,443			4,443
San Diego-Coronado Bridge Construction Fund.....	6,355	7,692,661		7,698,996	28,874		1,340,000	1,368,874
Vincent Thomas Bridge Construction Fund.....	8,022	256,696		264,718	7,703		71,000	78,703
Other Utility Funds:								
Central Valley Water Project Construction Fund.....	935,451		168,955,000	169,890,451	406,733		32,955,000	33,361,733
Central Valley Water Project Revenue Fund.....			750,000	750,000	31,271		1,516,500	1,547,771
College Auxiliary Enterprise Fund.....	138,114			138,114	43,389			141,195
Compensation Insurance Fund.....	1,009,523	249,757,654	4,400,000	255,167,177	743,878	267,032,505	1,500,000	269,276,383
Health Facility Construction Loan Insurance Fund.....		9,633		18,308	69,163			69,163
Rapid Transit Tube Construction Fund.....					828			828
Small Craft Harbor Improvement Fund.....	8,675			8,675	124,055		540,000	664,055
State College Dormitory Building Maintenance and Equipment Reserve Fund.....	283,700	1,110,969		1,394,669				
State College Dormitory Construction Fund.....	3,601,164	17,146,914		20,748,078	87,138	1,005,137	600,000	1,692,275
State College Dormitory Revenue Fund.....	1,188,931	4,565,893		5,754,824	492,727	4,253,137	10,300,000	15,045,864
Unemployment Compensation Disability Fund.....	1,340,833	104,905,151		106,245,984	1,117,419	956,477	3,100,000	5,173,896
Veterans Farm and Home Building Fund of 1943.....	225,102		28,300,000	28,525,102	977,925	113,956,097	23,450,000	114,934,022
					173,488			23,623,488

Schedule 5—Continued

STATEMENT OF BALANCES IN OTHER TREASURY FUNDS WHICH ARE NOT INCLUDED IN THE BUDGET TOTALS—Continued

Fund	Balance June 30, 1969				Balance June 30, 1970			
	Cash	Securities	Due From Surplus Money Investment Fund	Total	Cash	Securities	Due From Surplus Money Investment Fund	Total
BOND FUNDS:								
California Water Resources Development Bond Fund.....	\$284,029		\$23,690,000	\$23,974,029	\$71,283		\$7,090,000	\$7,161,283
Public School Building Loan Fund.....	1,787			1,787	3,262			3,262
State School Building Aid Fund.....	23,738,945			23,738,945	22,744,943			22,744,943
State Construction Program Fund.....	36,377,446			36,377,446	36,347,839			36,347,839
Small Craft Harbor Bond Fund.....	41,469		510,000	551,469	9,120		60,000	69,120
State Beach, Park, Recreational and Historical Facilities Fund.....	7,689,937			7,689,937	2,138,397			2,138,397
RETIREMENT FUNDS:								
Judges' Retirement Fund.....	3,992		205,000	208,992	4,126		580,000	584,126
Legislators' Retirement Fund.....	77,916	1,173,011		1,250,927	81,842	1,108,152		1,189,994
Public Employees Retirement Fund.....	365,932	3,560,708,693		3,560,708,693	551,782	3,831,807,516		3,832,359,298
Teachers' Retirement Fund.....	11,432,813	1,639,077,339		1,650,510,152	12,764,167	1,708,184,567		1,720,948,734
DEBT SERVICE FUNDS:								
Olympic Bond Fund.....	11,986	13,994		25,980	32			32
State College Dormitory Interest and Redemption Fund.....	773,067	1,282,648		2,055,715	463,517	1,726,645	1,000,000	4,090,062
TRUST AND AGENCY FUNDS:								
Federal Funds:								
United States Flood Control Receipts Fund.....	47			47				
Public Health—Federal Fund.....	872,558			872,558	1,104,099			1,104,099
Social Welfare—Federal Fund.....	16,864,794			16,864,794	26,810,018			26,810,018
Unemployment Administration Fund.....	1,764,156			1,764,156	1,779,216			1,779,216
Vocational Education—Federal Fund.....	907,790			907,790	1,681,236			1,681,236
Vocational Rehabilitation—Federal Fund.....	410,438			410,438	477,846			477,846
Other Trust and Agency Funds:								
Condemnation Deposit Fund.....	228,322	39,560,634		39,788,956	2,443	27,519,969		27,522,412
Health Care Deposit Fund.....	19,226			19,226	1,727,219			1,727,219
Highway Property Rental Fund.....	1,361,193			1,361,193	1,684,200			1,684,200
Inmate Welfare Fund.....	384,950	1,488,448		1,873,398	326,975	1,683,272		2,010,247
Special Deposit Fund.....	46,035,138	38,153	9,350,000	55,423,291	34,561,857		13,034,000	48,495,857
State Employees Contingency Reserve Fund.....	2,374	1,875,111		1,877,485	77,977	2,518,586		2,596,563
State Park Contingent Fund.....	68,370			68,370	45,037			45,037
State Properties Rental Fund.....	132,981			132,981	132,733			132,733
Tax Decided Land Rental Trust Fund.....	104			104	4,289			4,289
Unclaimed Property Fund.....	153,821	4,005,051	2,900,000	7,058,872	654,969	3,699,140	2,900,000	7,254,109
Unemployment Fund.....	75,389			75,389	12,626			12,626
State Guaranteed Loan Reserve Fund.....	4,462	1,455,350		1,459,812	108,228	1,095,187		1,203,415
California Traffic Safety Program Fund.....	3			3	34,913			34,913
Manpower Development Fund.....	37,559			37,559	1,833,300			1,833,300
California Bicentennial Celebration Fund.....					35,765			35,765
State Job Development Loan Guarantee Fund.....					100,000			100,000
TOTAL BALANCES IN OTHER TREASURY FUNDS.....	\$756,506,309	\$5,640,606,172	—\$129,168,000	\$6,267,944,371	\$640,314,710	\$5,966,683,466	—\$150,377,250	\$6,456,620,926
General Fund.....	308,565,415			308,565,415	64,340,458			64,340,458
Highway Fund and Motor Vehicle Funds.....	9,855,238	196,650,010	85,958,000	231,773,248	37,178,130	119,783,044	102,917,250	259,878,424
Other Special Funds.....	144,313,129	26,346,564	43,900,000	214,559,693	130,092,164	26,470,000	47,460,000	203,022,164
Treasurer's Trust Accounts.....	79,265,377			79,265,377	18,120,258			18,120,258
Uncleared Collections.....	2,044,228			2,044,228	108,866			108,866
Warrants Outstanding.....	180,666,143			180,666,143	193,407,160			193,407,160
Pooled Money Account*.....	—1,267,557,595	1,267,557,595			—794,758,393	794,758,393		
Time Deposits in Banks.....	—227,668,000	227,668,000			—300,000,000	300,000,000		
Condemnation Deposits in Banks.....	2,475,000			2,475,000				
TOTAL, ACCOUNTABILITY, STATE OF CALIFORNIA.....	—\$11,534,666	\$7,298,829,341		\$7,287,293,675	—\$11,198,677	\$7,206,694,903		\$7,195,496,226

* Not identified as to Fund.

**TREASURY FUNDS FOR WHICH NO DETAILED TRANSACTIONS
ARE REPORTED IN THE BUDGET**

- Ballot Paper Revolving Fund:* The fund is used by the Secretary of State to purchase paper for sale to counties and municipalities for their use for election ballots.
- Bicentennial Celebration Fund:* Depository for gifts and grants for commemoration of the 200th anniversary of the settlement of California.
- California Heritage Preservation Fund:* The fund was established by Chapter 1938, Statutes of 1963, to receive donations, gifts and grants from any source to provide for the restoration, preservation and display of the historical documents of the state on deposit with the Secretary of State.
- Condemnation Deposits Fund:* Contains deposits held in trust pending settlement of court cases in condemnation proceedings.
- India Basin Sinking Fund:* Moneys are transferred from the San Francisco Harbor Improvement Fund and interest is earned on investment of these moneys to provide for payment of interest and redemption of the San Francisco Harbor Bonds.
- Job Training and Placement Fund:* For deposit and disbursement of grants and gifts to further programs designed to provide instruction in vocational skills and to provide assistance for job placement.
- Old Age and Survivors Insurance Revolving Fund:* The fund is used by the Public Employees' Retirement System to clear employer and employee contributions under the Federal Old Age and Survivors Insurance Program from public agencies included in the agreement between the state and the federal government.
- Opportunity Work Centers Revolving Fund:* Provides for purchase and rental of equipment for Centers for the Blind.
- San Francisco Seawall Funds Nos. 4 and 5:* Receives money from the proceeds of bond sales to be used for the construction of wharves, piers, seawall, and other improvements in San Francisco Harbor.
- San Francisco Seawall Sinking Funds Nos. 2, 3 and 4:* Moneys are transferred from the San Francisco Harbor Improvement Fund and interest is earned on investment of these moneys to provide for payment of interest and redemption of the San Francisco Harbor Bonds.
- Special Deposit Fund:* Accumulation of numerous trust funds deposited by state and private agencies for a specific purpose. This fund also contains unclaimed checks and deposits pending either payment to the proper persons or transfer to the General Fund. The transactions of this fund are so numerous and the pattern is so indefinite that no attempt is made to estimate the volume that will flow through the fund.
- Special Interest Stopping Place Fund:* Receives gifts of money or property for the purpose of establishing places of special scenic, historical, or cultural interest.
- State Park Contingent Fund:* Receives moneys from gifts, bequests, from municipal or county appropriations, or donations, for improvements, additions, or administration of the state park system. The amounts received are disbursed in accordance with the provisions of the donations.
- State Payroll Revolving Fund:* The fund is used by the State Controller for payment of salaries through the Uniform Payroll System.
- Surplus Money Investment Fund:* Excess money in those funds which do not have other provision for investment may be transferred to this fund, the pooled resources are invested and the interest earned is prorated to the contributing funds.
- Tax-deeded Land Rental Trust Fund:* Receipts are derived from leases made by the State Controller covering property deeded to the state for taxes. The rentals are paid semiannually to the county in which the property is located for distribution to the taxing agencies.
- Toll Bridge Authority Revolving Fund:* A permanent revolving fund to pay expenses incurred by the California Toll Bridge Authority in the administration of the Toll Bridge Authority Act.
- Traffic Safety Program Fund:* To receive and disburse funds received as gifts and grants to be apportioned to local governments for traffic safety programs.
- Treasury Trust Deposits:* Provides for the State Treasurer's Central Banking System.
- Unclaimed Property Fund:* This fund accounts for all unclaimed moneys held by the state.
- Welfare Advance Fund:* The fund is used for disbursements to counties of state and federal shares of social welfare public assistance programs.

Schedule 6

**COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID GRANTED TO THE STATE OF CALIFORNIA
FOR THE FISCAL YEARS 1969-70, 1970-71, AND 1971-72**

Department	Page refer- ence	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
STATE OPERATIONS										
GENERAL GOVERNMENT:										
JUDICIAL:										
Judicial Council.....	10	\$54,643	-----	\$54,643	\$146,268	-----	\$146,268	\$134,969	-----	\$134,969
EXECUTIVE:										
Office of Emergency Services.....	32	645,722	\$248,483	894,205	724,488	\$375,191	1,099,679	734,068	\$331,512	1,065,580
Office of Emergency Services—Disaster Relief and Matching Funds to Local Governments.....		-----	(76,355,108)	(76,355,108)	-----	(70,622,884)	(70,622,884)	-----	(45,406,130)	(45,406,130)
Office of Intergovernmental Management.....	36	101,439	-----	101,439	307,884	-----	307,884	250,000	-----	250,000
Office of Planning and Research.....	38	-----	-----	-----	30,088	-----	30,088	92,587	-----	92,587
Council on Intergovernmental Relations.....	46	49,312	-----	49,312	145,000	-----	145,000	174,000	-----	174,000
Totals, Executive.....		\$796,473	\$248,483 (76,355,108)	\$1,044,956 (76,355,108)	\$1,207,460	\$375,191 (70,622,884)	\$1,582,651 (70,622,884)	\$1,250,655	\$331,512 (45,406,130)	\$1,582,167 (45,406,130)
GENERAL ADMINISTRATION:										
Department of Justice—Support.....	78	\$48,998	-----	\$48,998	\$501,001	-----	\$501,001	-----	-----	-----
Peace Officers Standards and Training.....	95	75,455	-----	75,455	173,369	-----	173,369	-----	-----	-----
California Council on Criminal Justice.....	109	1,079,869	-----	1,079,869	1,330,615	-----	1,330,615	\$1,842,949	-----	\$1,842,949
California Crime Technological Research Foundation.....	112	185,931	-----	185,931	304,269	-----	304,269	-----	-----	-----
Military Department:										
Maintenance and Operation of Facilities.....	211	768,071	-----	768,071	788,013	-----	788,013	1,571,732	-----	1,571,732
Army and Air National Guard.....	211	-----	-----	-----	-----	-----	-----	-----	-----	-----
Reimbursements for Civil Defense.....	211	-----	-----	-----	-----	-----	-----	-----	-----	-----
Totals, Military Department.....		\$768,071	\$19,543 (56,356,674)	\$787,614 (56,356,674)	\$788,013	\$21,257 (57,777,753)	\$809,270 (57,777,753)	\$1,571,732	\$21,776 (64,406,726)	\$1,593,508 (64,406,726)
Totals, General Administration.....		\$2,158,324	\$19,543 (56,356,674)	\$2,177,867 (56,356,674)	\$3,097,267	\$21,257 (57,777,753)	\$3,118,524 (57,777,753)	\$3,414,681	\$21,776 (64,406,726)	\$3,436,457 (64,406,726)
MISCELLANEOUS:										
Arts Commission.....	235	\$47,363	-----	\$47,363	\$85,000	-----	\$85,000	\$125,000	-----	\$125,000
TOTALS, GENERAL GOVERNMENT.....		\$3,056,803	\$268,026 (132,711,782)	\$3,324,829	\$4,535,995	\$396,448 (128,400,637)	\$4,932,443 (128,400,637)	\$4,925,305	\$353,288 (109,812,856)	\$5,278,593 (109,812,856)

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page reference	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimbursements and special projects	Total	Grants	Reimbursements and special projects	Total	Grants	Reimbursements and special projects	Total
STATE OPERATIONS—Continued										
AGRICULTURE AND SERVICES ¹										
DEPARTMENT OF AGRICULTURE:										
Department of Agriculture—Support.....	318		\$1,692,683	\$1,692,683			\$1,987,920		\$2,136,970	\$2,136,970
Cooperative Marketing Research.....	319	\$52,849		52,849			46,921			
Participation in State Projects.....	319	62,634		62,634						
Totals, Department of Agriculture.....		\$115,483	\$1,692,683	\$1,808,166	\$46,921	\$1,987,920	\$2,034,841		\$2,136,970	\$2,136,970
Department of Consumer Affairs:										
Board of Examiners of Nursing Home Administrators.....	402					\$7,500	\$7,500		\$15,000	\$15,000
Personnel Board—Support.....	529		\$85,679	\$85,679		863,828	863,828		587,386	587,386
Veterans Home of California:										
Care and Maintenance of Veterans.....	565	\$2,087,658		2,087,658	\$2,470,400		2,470,400	\$2,435,810		2,435,810
TOTALS, AGRICULTURE AND SERVICES.....		\$2,203,141	\$1,778,362	\$3,981,503	\$2,517,321	\$2,859,248	\$5,376,569	\$2,435,810	\$2,739,356	\$5,175,166
BUSINESS AND TRANSPORTATION ¹										
Business:										
Department of Housing and Community Development—Support.....	37		\$40,000	\$40,000			\$232,933		\$177,110	\$177,110
TRANSPORTATION:										
Office of Traffic Safety.....	68							\$441,500		\$441,500
Office of Transportation Planning and Research.....	70					2,900	2,900		\$1,000	1,000
Special Transportation Services and Studies.....	74	\$109,151		109,151	\$12,229		12,229			
Department of Aeronautics—Support.....	89							454,708		454,708
Department of the California Highway Patrol—Support.....	116		559,243	559,243		543,000	543,000		154,000	154,000
Department of Motor Vehicles—Support.....	144		218,516	218,516		318,567	318,567			
Totals, Transportation.....		\$109,151	\$777,759	\$886,910	\$12,229	\$864,467	\$876,696	\$896,208	\$155,000	\$1,051,208
TOTALS, BUSINESS AND TRANSPORTATION.....		\$109,151	\$817,759	\$926,910	\$12,229	\$1,097,400	\$1,109,629	\$896,208	\$332,110	\$1,228,318
RESOURCES:										
Air Resources Board—Support.....	291		\$887,760	\$887,760		\$981,910	\$981,910		\$800,000	\$800,000
Department of Conservation—Support.....	316		\$725,148	\$725,148		\$876,847	\$876,847		\$737,903	\$737,903
Department of Fish and Game:										
Department of Fish and Game—Support.....	369		676,207	676,207		670,682	670,682		646,360	646,360
Game Management.....	371	\$1,586,494		1,586,494	\$1,407,300		1,407,300	\$2,000,925		2,000,925
Fisheries Management.....	371	439,245		439,245	514,050		514,050	588,750		588,750
Commercial Fisheries Program.....	371	211,487		211,487	266,475		266,475	246,000		246,000
Totals, Department of Fish and Game.....		\$2,237,226	\$676,207	\$2,913,433	\$2,187,825	\$670,682	\$2,858,507	\$2,835,675	\$646,360	\$3,482,035

* Page references relate to appropriate volumes of the Budget Supplements.

Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page reference	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
STATE OPERATIONS—Continued										
RESOURCES—Continued										
Department of Parks and Recreation—Support.....	424		313,411	313,411		258,650	258,650		212,477	212,477
Department of Water Resources—Support.....	526		326,957	326,957		306,824	306,824		274,000	274,000
Water Resources Control Board—Support.....	584	\$741,635		741,635	\$808,000		808,000	\$653,000		653,000
TOTALS, RESOURCES.....		\$2,978,861	\$2,929,483	\$5,908,344	\$2,995,825	\$3,094,913	\$6,090,738	\$3,488,675	\$2,070,740	\$6,159,415
HUMAN RELATIONS										
Department of Corrections—Support.....	60		\$107,051	\$107,051		\$70,538	\$70,538		\$43,242	\$43,242
Department of the Youth Authority:										
Department of the Youth Authority—Support.....	159		217,929	217,929		513,129	513,129		117,189	117,189
Special Project Activity.....	159	\$1,296,051		1,296,051	\$1,752,282		1,752,282	\$1,684,427		1,684,427
Totals, Department of the Youth Authority.....		\$1,296,051	\$217,929	\$1,513,980	\$1,752,282	\$513,129	\$2,265,411	\$1,684,427	\$117,189	\$1,801,616
Department of Human Resources Development:										
Unemployment Security Financing Act.....	247	\$35,931		\$35,931	\$41,100		\$41,100	\$42,344		\$42,344
Benefit Payments and Other Expenditures.....	247	498,554,710		498,554,710	749,500,000		749,500,000	678,700,000		678,700,000
Administration—Support.....	247	80,021,682		80,021,682	87,710,816		87,710,816	87,723,118		87,723,118
Other Federal Funds.....	247	34,765,958		34,765,958	56,033,166		56,033,166	55,438,506		55,438,506
Totals, Department of Human Resources Development.....		\$613,378,281		\$613,378,281	\$893,285,082		\$893,285,082	\$821,903,968		\$821,903,968
Department of Industrial Relations—Support.....	301	\$645,833	\$67,200	\$713,033	\$357,207	\$460,522	\$817,729	\$284,500		\$284,500
Department of Mental Hygiene:										
Department of Mental Hygiene—Support.....	336		\$3,995,995	\$3,995,995		\$6,920,941	\$6,920,941		\$7,424,293	\$7,424,293
Departmental Administration.....	336	\$1,096,449		1,096,449						
Research and Training.....	337	371,090		371,090	\$416,561		416,561	\$440,000		440,000
Totals, Department of Mental Hygiene.....		\$1,467,539	\$3,995,995	\$5,463,534	\$416,561	\$6,920,941	\$7,337,502	\$440,000	\$7,424,293	\$7,864,293
Department of Public Health:										
Special Project Activities.....	467		\$7,029,333	\$7,029,333		\$6,839,977	\$6,839,977		\$7,819,988	\$7,819,988
Department of Public Health—Support.....	467	\$6,288,555	1,620,869	7,909,424	\$4,755,889	2,213,073	6,968,962	\$4,755,889	2,274,591	7,030,480
Totals, Department of Public Health.....		\$6,288,555	\$8,650,202	\$14,938,757	\$4,755,889	\$9,053,050	\$13,808,939	\$4,755,889	\$10,094,579	\$14,850,468
Department of Rehabilitation:										
Department of Rehabilitation—Support.....	504	\$19,484,909		\$19,484,909	\$21,800,878		\$21,800,878	\$21,848,563		\$21,848,563
Cooperative Rehabilitation Services.....	504	11,011,542		11,011,542	11,729,387		11,729,387	15,106,109		15,106,109
Disability Determination Program.....	504	5,487,187		5,487,187	6,799,110		6,799,110	7,166,923		7,166,923
Totals, Department of Rehabilitation.....		\$35,983,638		\$35,983,638	\$40,329,375		\$40,329,375	\$44,121,595		\$44,121,595

1 Page references relate to appropriate volumes of the Budget Supplements.

Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

		Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
Page reference	Department	Grants	Reimbursements and special projects	Total	Grants	Reimbursements and special projects	Total	Grants	Reimbursements and special projects	Total
STATE OPERATIONS—Continued										
HUMAN RELATIONS—Continued										
559	Department of Social Welfare: State Administration and Public Assistance—Support.....	\$10,072,503	-----	\$10,072,503	\$11,118,821	-----	\$11,118,821	\$11,918,514	-----	\$11,918,514
	TOTALS, HUMAN RELATIONS.....	\$669,132,400	\$13,038,377	\$682,170,777	\$952,015,217	\$17,018,180	\$969,033,397	\$885,108,893	\$17,679,303	\$902,788,196
EDUCATION ¹										
61	Department of Education—Support.....	\$11,047,081	-----	\$11,047,081	\$18,394,170	-----	\$18,394,170	\$20,269,614	-----	\$20,269,614
138	Higher Education: Coordinating Council for Higher Education—Support.....	566,005	-----	566,005	433,360	-----	433,360	484,486	-----	484,486
172	University of California: Special Federal Research Projects.....	\$292,087,729	\$292,087,729	\$292,087,729	-----	\$292,088,000	\$292,088,000	-----	\$292,088,000	\$292,088,000
172	Other Federal Projects.....	171,094,035	171,094,035	171,094,036	-----	182,038,156	182,038,156	-----	191,208,381	191,208,381
	Totals, University of California.....	\$463,181,764	\$463,181,764	\$463,181,764	-----	\$474,126,156	\$474,126,156	-----	\$483,296,381	\$483,296,381
377	Hastings College of the Law: Work Study Program.....	\$17,588	-----	\$17,588	\$56,830	-----	\$56,830	\$56,830	-----	\$56,830
397	Trustees of the California State Colleges: State College System—Support.....	\$19,119,969	\$19,119,969	19,119,969	-----	\$29,571,375	29,571,375	-----	\$32,484,029	32,484,029
402	State College Foundations.....	21,202,585	21,202,585	21,202,585	-----	19,082,327	19,082,327	-----	17,174,096	17,174,096
	Totals, State Colleges.....	\$40,322,554	\$40,322,554	\$40,322,554	-----	\$48,653,702	\$48,653,702	-----	\$49,658,125	\$49,658,125
613	Maritime Academy—Support.....	\$212,329	-----	\$212,329	\$216,600	-----	\$216,600	\$215,400	-----	\$215,400
633	Board of Governors of the Community Colleges—Support.....	346,079	346,079	346,079	-----	851,732	851,732	-----	925,016	925,016
	Totals, Higher Education.....	\$795,922	\$503,850,397	\$504,646,319	\$706,790	\$523,631,590	\$524,338,380	\$756,716	\$533,879,522	\$534,636,238
	TOTALS, EDUCATION.....	\$11,843,003	\$503,850,397	\$515,693,400	\$19,100,960	\$523,631,590	\$542,732,550	\$21,026,330	\$533,879,522	\$554,905,852
	TOTALS, STATE OPERATIONS.....	\$689,323,359	\$522,682,404	\$1,212,005,763	\$981,177,547	\$548,097,779	\$1,529,275,326	\$917,881,221	\$557,654,319	\$1,475,535,540
			(132,711,782)	(132,711,782)		(128,400,627)	(128,400,637)		(109,812,856)	(109,812,856)
LOCAL ASSISTANCE										
GENERAL GOVERNMENT ¹										
MISCELLANEOUS:										
247	Storm and Flood Damage Repair.....	\$16,599,327	-----	\$16,599,327	\$3,472,314	-----	\$3,472,314	-----	-----	-----
SHARED REVENUES:										
272	Federal Receipts from Flood Control Land.....	124,768	-----	124,758	116,338	-----	116,338	\$125,000	-----	\$125,000
272	Federal Receipts from Forest Reserves.....	15,700,965	-----	15,700,965	13,534,386	-----	13,534,386	12,000,000	-----	12,000,000
272	Federal Receipts from Grazing Lands.....	50,394	-----	50,394	56,765	-----	56,765	57,000	-----	57,000
272	Federal Potash Lease Rentals.....	541,055	-----	541,055	546,000	-----	546,000	550,000	-----	550,000
	Totals, Shared Revenues.....	\$16,417,172	-----	\$16,417,172	\$14,253,489	-----	\$14,253,489	\$12,732,000	-----	\$12,732,000
	TOTALS, GENERAL GOVERNMENT.....	\$33,016,499	-----	\$33,016,499	\$17,725,803	-----	\$17,725,803	\$12,732,000	-----	\$12,732,000

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page reference	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
LOCAL ASSISTANCE—Continued										
BUSINESS AND TRANSPORTATION: Local Roads and Highways	187	\$27,489,587		\$27,489,587	\$74,682,726		\$74,682,726	\$37,130,000		\$37,130,000
RESOURCES: Department of Parks and Recreation: Land and Water Conservation Fund Act	426	\$1,367,614		\$1,367,614	\$400,004		\$400,004			
HUMAN RELATIONS: Department of the Youth Authority: Assistance to Counties for Pilot Youth Service Bureaus	161	\$122,007		\$122,007	\$125,000		\$125,000			
Department of Health Care Services	222	509,826,800		509,826,800	551,624,493		551,624,493	522,540,936		522,540,936
Department of Public Health: Care of Crippled Children	470	1,416,911		1,416,911	2,129,912		2,129,912	2,129,912		2,129,912
Assistance to Counties Without Local Health Departments	471	117,839		117,839	130,406		130,406	130,406		130,406
Assistance to Local Health Departments	472	3,360,678		3,360,678	4,890,887		4,890,887	4,890,887		4,890,887
Mental Retardation Services	472				1,000,000		1,000,000	1,000,000		1,000,000
Hospital Construction	473	17,721,197		17,721,197	28,333,869		28,333,869	28,333,869		28,333,869
Totals, Department of Public Health		\$22,616,625		\$22,616,625	\$35,485,074	\$1,000,000	\$36,485,074	\$35,485,074	\$1,000,000	\$36,485,074
Department of Social Welfare: State Administration and Public Assistance Programs—Local Assistance	560	\$905,653,085		\$905,653,085	\$1,165,052,640		\$1,165,052,640	\$1,123,460,629		\$1,123,460,629
TOTALS, HUMAN RELATIONS		\$1,438,218,517		\$1,438,218,517	\$1,752,287,207	\$1,000,000	\$1,753,287,207	\$1,681,486,639	\$1,000,000	\$1,682,486,639
EDUCATION: Education	68	\$187,286,927		\$187,286,927	\$185,607,932		\$185,607,932	\$255,131,113		\$255,131,113
TOTALS, LOCAL ASSISTANCE		\$1,687,379,144		\$1,687,379,144	\$2,030,703,672	\$1,000,000	\$2,031,703,672	\$1,986,479,752	\$1,000,000	\$1,987,479,752
CAPITAL OUTLAY										
State Building Program		\$19,156,444		\$19,156,444	\$39,071,873		\$39,071,873	\$14,356,000		\$14,356,000
State Highway Program		(226,011)		(226,011)	(225,000)		(225,000)	(1,857,000)		(1,857,000)
Wildlife Conservation Program		427,062,241		427,062,241	433,388,025		433,388,025	365,190,000		365,190,000
Parks and Recreation Acquisition and Development Program		784,929		784,929	208,259		208,259			
California Water Facilities Program		3,320,411		3,320,411	4,066,794		4,066,794	1,757,500		1,757,500
TOTALS, CAPITAL OUTLAY		\$450,324,025		\$450,324,025	\$476,734,951		\$476,734,951	\$381,303,500		\$381,303,500
TOTAL EXPENDITURES:										
State Operations		\$689,323,359	\$522,682,404	\$1,212,005,763	\$981,177,547	\$548,097,779	\$1,529,275,326	\$917,881,221	\$557,654,319	\$1,475,535,540
Local Assistance		1,687,379,144	(132,711,782)	(132,711,782)		(128,400,637)	(128,400,637)		(109,812,856)	(109,812,856)
Capital Outlay		450,324,025		450,324,025	2,030,703,672	1,000,000	2,031,703,672	1,986,479,752	1,000,000	1,987,479,752
TOTALS, EXPENDITURES		\$2,827,026,528	\$522,682,404	\$3,349,708,932	\$3,488,616,170	\$549,097,779	\$4,037,713,949	\$3,285,664,473	\$558,654,319	\$3,844,318,792
		(226,011)	(132,711,782)	(132,937,793)	(225,000)	(128,400,637)	(128,625,637)	(1,857,000)	(109,812,856)	(111,669,856)

¹ Page references relate to appropriate volumes of the Budget Supplements.

Schedule 7—SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATIONS FOR THE FISCAL YEAR 1971-72

Function	Proposed Budget Act of 1971			Constitution and Statutory Authorizations			Prior Year Appropriations, Continuing Appropriations, and Reappropriations			Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total		
STATE OPERATIONS AND LOCAL ASSISTANCE											
GENERAL GOVERNMENT:											
Legislative:	\$26,445,461		\$26,445,461							\$27,245,461	\$27,245,461
	b(2,340,000)		b(2,340,000)							2,340,000	2,340,000
Judicial	19,379,220		19,379,220	\$2,340,000		\$2,340,000				21,630,685	21,630,685
Executive	4,334,904	\$13,702	19,392,922	2,237,763		2,237,763				4,535,998	4,535,998
General Administration	75,125,687	114,100	4,449,004							92,602,816	92,602,816
General Administration—Bond Funds		17,477,129	92,602,816							80,000	80,000
Miscellaneous	3,356,104		3,745,793				\$1,080,092		(80,000)	4,825,885	4,825,885
Property Tax Relief	245,000,000		245,000,000				79,000,000	19,755,000	98,755,000	343,755,000	343,755,000
Debt Service	14,400,000		14,400,000							118,229,808	118,229,808
Unallocated	5,844,197		10,482,817	103,829,808		103,829,808				10,482,817	10,482,817
Shared Revenues		4,638,620	10,482,817	1,405,000		\$663,490,000				664,895,000	664,895,000
TOTAL, GENERAL GOVERNMENT	\$393,885,573	\$22,633,240	\$416,518,813	\$109,812,571	\$663,490,000	\$773,302,571	\$80,080,092	\$20,641,994	\$100,722,086	\$1,290,543,470	\$1,290,623,470
Agriculture and Services	54,925,034	21,051,510	75,976,544		6,040,500	6,040,500		(80,000)	(80,000)	82,836,044	82,836,044
Business and Transportation	17,432,969	211,050,062	228,483,031		143,228,991	143,228,991		819,000	819,000	372,809,522	372,809,522
Resources	85,117,530	23,383,431	108,500,961		4,000,000	4,000,000		1,097,500	1,097,500	115,365,954	115,365,954
Resources—Bond Funds		(1,088,820)	(1,088,820)					2,864,993	2,864,993	115,365,954	115,365,954
Human Relations	1,272,740,069	797,052	1,273,537,121					(51,540,000)	(51,540,000)	52,628,820	52,628,820
	b(573,573,000)		b(573,573,000)	573,573,000		573,573,000	518,914		518,914	1,274,056,035	1,274,056,035
Education	782,131,910	233,200	782,365,110	74,306,808		74,306,808	2,724,814		23,000,814	882,672,732	882,672,732
	b(1,443,000,000)		b(1,443,000,000)	1,443,000,000		1,443,000,000				1,443,000,000	1,443,000,000
Credits to General Fund for overhead services charged to agencies supported from Special Funds ^a	—12,800,000		—12,800,000							—12,800,000	—12,800,000
Estimated Unidentified Savings ^a	—12,000,000		—12,000,000							—12,000,000	—12,000,000
TOTALS, STATE OPERATIONS AND LOCAL ASSISTANCE	\$2,581,433,085	\$279,148,495	\$2,860,581,580	\$2,200,692,379	\$819,759,491	\$3,020,451,870	\$83,323,820	\$45,699,487	\$129,023,307	\$6,010,056,757	\$6,062,765,577
General Fund	\$2,581,433,085		\$2,581,433,085	\$2,200,692,379		\$2,200,692,379	\$83,323,820			\$4,865,449,284	\$4,865,449,284
Special Funds		\$279,148,495	\$279,148,495		\$819,759,491	\$819,759,491		\$45,699,487	\$45,699,487	1,144,607,473	1,144,607,473
Clean Water Bond Fund								(7,000)	(7,000)	51,561,000	51,561,000
State Construction Program Fund										7,000	7,000
California Water Resources Development Bond Fund								(40,000)	(40,000)	40,000	40,000
State Beach, Park, Recreational and Historical Facilities Fund								(6,000)	(6,000)	1,094,830	1,094,830
Recreation and Fish and Wildlife Enhancement Fund		(1,088,830)	(1,088,830)					(6,000)	(6,000)	6,000	6,000

Schedule 7—SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATIONS FOR THE FISCAL YEAR 1971-72—Continued

Function	Proposed Budget Act of 1971			Constitution and Statutory Authorizations			Prior Year Appropriations, Continuing Appropriations, and Reappropriations			Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total		
CAPITAL OUTLAY											
State Building Program-----	\$150,000	\$13,087,602	\$13,237,602				\$10,000,000	—\$10,155,003	—\$155,003	\$13,082,599	\$13,082,599
State Building Program Bonds-----		(26,510,959)						(1,500,000)			28,010,959
District Fair Construction Program-----		1,822,437	72,437		\$411,563	\$411,563	—100,000		—100,000	384,000	384,000
State Highway Program-----	—1,750,000				343,529,218	343,529,218				343,529,218	343,529,218
Wildlife Conservation Program-----		410,000	410,000		750,000	750,000		192,100	192,100	1,352,100	1,352,100
Wildlife Conservation Program—Bond Funds-----		(180,000)									180,000
Parks and Recreation Acquisition and Development Program-----	100,000		100,000							100,000	100,000
Parks and Recreation Acquisition and Development Program—Bond Funds-----		(26,998,112)									26,998,112
California Water Facilities Program-----	1,587,000		1,587,000							1,587,000	1,587,000
California Water Facilities Program—Bond Funds-----								(280,662,210)			280,662,210
TOTALS, CAPITAL OUTLAY											
General Fund-----	\$87,000	\$15,320,039	\$15,407,039		\$344,690,781	\$344,690,781	\$9,900,000	—\$9,962,903	—\$62,903	\$360,034,917	\$675,886,198
Special Funds-----	\$87,000	\$15,320,039					\$9,900,000			\$9,987,000	\$9,987,000
State Construction Program Fund-----		(26,510,959)			\$344,690,781		\$9,900,000	—\$9,962,903		350,047,917	\$50,047,917
Central Valley Water Project Construction Fund-----								(1,500,000)			28,010,959
California Water Resources Development Bond Fund-----								(83,233,641)			83,233,641
State Beach, Park, Recreational and Historical Facilities Fund-----		(18,354,844)						(177,428,569)			177,428,569
Recreation and Fish and Wildlife Enhancement Fund-----		(8,825,268)									18,354,844
TOTALS, EXPENDITURES											
General Fund-----	\$2,581,520,085	\$294,468,534	\$2,875,988,619	\$2,200,692,379	\$1,164,450,272	\$3,365,142,651	\$93,223,820	\$35,736,584	\$128,960,404	\$6,370,091,674	\$6,738,651,775
Special Funds-----	\$2,581,520,085	\$294,468,534		\$2,200,692,379			\$93,223,820			\$4,875,436,284	\$4,875,436,284
Clean Water Bond Fund-----					\$1,164,450,272			\$35,736,584		1,494,656,390	1,494,656,390
State Construction Program Fund-----		(26,510,959)					(61,561,000)			51,561,000	51,561,000
Central Valley Water Project Construction Fund-----								(1,507,000)			28,017,959
California Water Resources Development Bond Fund-----								(83,233,641)			83,233,641
State Beach, Park, Recreational and Historical Facilities Fund-----		(19,443,664)						(177,468,569)			177,468,569
Recreation and Fish and Wildlife Enhancement Fund-----		(8,825,268)						(6,000)			19,449,664
								(6,000)			8,829,268

• Not Budget Act items.

b These are Constitutional and Statutory Authorizations which are appropriated as Budget Act items.

Schedule 8

**COMPARATIVE STATEMENT OF EXPENDITURES BY THE BUDGET ACT AND EXPENDITURES REQUIRED BY THE CONSTITUTION
OR OTHER STATUTES FOR THE FISCAL YEARS 1969-70, 1970-71, AND 1971-72**

Purpose and Legal Citation	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CONSTITUTIONAL AND STATUTORY AUTHORIZATIONS									
REQUIRED BY CONSTITUTION:									
General Government:									
Debt Service:									
Bond Interest and Redemption:									
Various Bond Acts Ratified in the Constitution—State Operations	\$84,414,621		\$84,414,621	\$90,889,061		\$90,889,061	\$103,829,808		\$103,829,808
Public School Buildings Bonds Ratified in the Constitution—Local Assistance	47,375,681		47,375,681	51,513,820		51,513,820	57,906,808		57,906,808
Education:									
Apportionment to Public Schools:									
Article IX, Section 6 of the State Constitution—Local Assistance	888,910,020		888,910,020	902,753,640		902,753,640	918,900,000		918,900,000
Totals, Constitutional Requirement	\$1,020,700,322		\$1,020,700,322	\$1,045,156,521		\$1,045,156,521	\$1,080,636,616		\$1,080,636,616
AUTHORIZED BY STATUTES:									
General Government:									
Legislative:									
Salaries of State Legislature:									
Section 8901, Government Code—State Operations	11,945,000		11,945,000	12,143,000		12,143,000	12,340,000		12,340,000
Judicial:									
Supreme and Appellate Courts:									
Contributions to Judges' Retirement Fund, Section 75101, Government Code—State Operations	154,183		154,183	176,622		176,622	178,763		178,763
Judges of Superior and Municipal Courts:									
Contribution to Judges' Retirement Fund, Section 75101, Government Code—Local Assistance	1,805,876		1,805,876	1,993,073		1,993,073	2,059,000		2,059,000
Miscellaneous:									
Storm and Flood Damage Repair, Section 186.95, Streets and Highways Code—Local Assistance		7,619,823	7,619,823		3,562,707	3,562,707			
Shared Revenues:									
Apportionment of Liquor License Fees:									
Section 25761, Business and Professions Code—Local Assistance		10,643,977	10,643,977		14,800,000	14,800,000		13,000,000	13,000,000
Apportionment of Highway Properties Rental Receipts:									
Section 104.10, Streets and Highways Code—Local Assistance		1,499,096	1,499,096		1,853,650	1,853,650		1,900,000	1,900,000
Apportionment of Motor Vehicle License Fees (In Lieu Tax):									
Sections 11003.3 and 11005, Revenue and Taxation Code—Local Assistance		221,523,174	221,523,174		239,130,000	239,130,000		253,640,000	253,640,000

¹ These are Constitution and Statutory Authorizations which are appropriated as Budget Act items.

Schedule 8—EXPENDITURES BY BUDGET ACT, CONSTITUTION OR OTHER STATUTES—Continued

Purpose and Legal Citation	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CONSTITUTIONAL AND STATUTORY AUTHORIZATIONS— Continued									
AUTHORIZED BY STATUTES:—Continued									
Shared Revenues—Continued									
Apportionment of Cigarette Tax:									
Sections 30462(e) and 30133, Revenue and Taxation Code—Local Assistance		68,858,681	68,858,681		74,772,527	74,772,527		74,250,000	74,250,000
Apportionment of Highway Carriers Uniform Business License Tax: Section 4306(b), Public Utilities Code—Local Assistance				875,000		875,000	1,200,000		1,200,000
Apportionment of Tideland Revenues:	142,274		142,274	205,000		205,000	205,000		205,000
Section 6817, Public Resources Code—Local Assistance									
Apportionment of Motor Vehicle Fuel Taxes to Counties:									
Section 2104, 2105 and 2106, Streets and Highways Code—Local Assistance		139,139,479	139,139,479		146,200,000	146,200,000		153,000,000	153,000,000
Apportionment of Motor Vehicle Fuel Taxes to Cities:									
Section 2107 and 2107.5, Streets and Highways Code—Local Assistance		63,561,637	63,561,637		66,800,000	66,800,000		69,800,000	69,800,000
Apportionment of Motor Vehicle Fuel Taxes to Cities and Counties									
Section 2106, Streets and Highways Code—Local Assistance		88,978,115	88,978,115		93,600,000	93,600,000		97,900,000	97,900,000
Agriculture and Services:									
Payment to Counties for Agricultural Programs									
Section 224, Agricultural Code—Local Assistance					1,250,000	1,250,000		1,500,000	1,500,000
District Agricultural Fairs:									
Sections 19622 and 19627, Business and Professions Code—State Operations		3,188,000	3,188,000		3,294,000	3,294,000		2,813,500	2,813,500
Section 19630, Business and Professions Code and Section 4002, Agricultural Code—Capital Outlay		1,663,872	1,663,872		2,627,857	2,627,857		411,563	411,563
County Agricultural Fairs:									
Sections 19622, 19626, 19627 and 19630, Business and Professions Code—Local Assistance		2,974,448	2,974,448		2,777,500	2,777,500		1,727,000	1,727,000
Business and Transportation:									
State Highways:									
Section 183, Streets and Highways Code, and Section 5323, Business and Professions Code—State Operations		111,951,326	111,951,326		123,590,590	123,590,590		126,029,013	126,029,013
Section 183, Streets and Highways Code—Capital Outlay		459,856,694	459,856,694		360,658,203	360,658,203		343,529,218	343,529,218
Sections 2210.5 and 143.3, Streets and Highways Code—Local Assistance		8,328,772	8,328,772		15,272,667	15,272,667		9,270,000	9,270,000
Section 190, Streets and Highways Code and Sections 1231.1 and 1231.2, Public Utilities Code—Local Assistance		4,518,375	4,518,375		7,584,359	7,584,359		5,700,000	5,700,000
County Airports:									
Section 21680, Public Utilities Code—Local Assistance		1,224,495	1,224,495		2,305,513	2,305,513		2,229,978	2,229,978
Resources:									
Department of Navigation and Ocean Development:									
Section 8352(g), Revenue and Taxation Code—Local Assistance		4,000,000	4,000,000		4,000,000	4,000,000		4,000,000	4,000,000
Wildlife Conservation Board:									
Section 1352, Fish and Game Code—Capital Outlay		524,404	524,404		750,000	750,000		750,000	750,000

Schedule 8—EXPENDITURES BY BUDGET ACT, CONSTITUTION OR OTHER STATUTES—Continued

Purpose and Legal Citation	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CONSTITUTIONAL AND STATUTORY AUTHORIZATIONS— Continued									
AUTHORIZED BY STATUTES:—Continued									
Human Relations:									
Department of Social Welfare:									
Public Assistance Programs:									
Aid to Blind:							1573,573,000		573,573,000
Sections 15202 and 15203, Welfare and Institutions Code—Local Assistance:	18,459,969		8,459,969	19,536,500		9,536,500			
Aid to Disabled:									
Section 15204, Welfare and Institutions Code—Local Assistance:	195,948,894		95,948,894	1125,279,900		125,279,900			
Aid to Families with Dependent Children:									
Section 15200, Welfare and Institutions Code—Local Assistance:	1256,774,211		256,774,211	1349,117,300		349,117,300			
Old Age Security:									
Section 15201, Welfare and Institutions Code—Local Assistance:	1158,433,731		158,433,731	1171,902,800		171,902,800			
Education:									
Apportionment to Public Schools:									
Sections 17301, 18251, 18303, 6421-6434, Education Code—Local Assistance:	533,258,222	2,855,009	536,113,231	1550,487,432	2,976,408	553,463,840	2540,500,000	3,000,000	543,500,000
Assistance to New Junior Colleges:									
Section 20211, Education Code—Local Assistance:	—9,441		—9,441						
TOTALS, STATUTORY AUTHORIZATIONS	\$1,056,912,919	\$1,202,909,377	\$2,259,822,296	\$1,211,716,627	\$1,167,805,981	\$2,379,522,608	\$1,120,055,763	\$1,164,450,272	\$2,284,506,035
TOTALS, REQUIRED BY CONSTITUTIONAL AND AUTHORIZED BY STATUTE	\$2,077,613,241	\$1,202,909,377	\$3,280,522,618	\$2,256,873,148	\$1,167,805,981	\$3,424,679,129	\$2,200,692,379	\$1,164,450,272	\$3,365,142,651
State Operations	\$86,619,804	\$115,159,996	\$201,659,190	\$93,208,683	\$126,884,690	\$220,093,273	\$106,348,671	\$123,842,513	\$236,191,084
Local Assistance	\$1,991,099,437	\$925,725,081	\$2,916,824,518	\$2,163,664,465	\$876,886,331	\$3,040,550,796	\$2,094,343,803	\$890,916,978	\$2,985,260,786
Capital Outlay		\$462,044,970	\$462,044,970		\$364,036,060	\$364,036,060		\$44,690,781	\$44,690,781
BUDGET ACT AUTHORIZATIONS									
Expenditures from appropriations and authorizations which are subject to legislative or executive determinations, including Budget Act appropriations, special appropriations, balances available in prior year appropriations made available for expenditure for more than one fiscal year, and deficiency authorizations.									
State Operations	\$1,228,437,112	\$230,491,223	\$1,458,978,335	\$1,297,217,535	\$268,255,594	\$1,565,503,119	\$1,304,383,193	\$278,596,439	\$1,582,979,687
Local Assistance	1,056,958,665	25,114,694	1,080,473,299	1,263,862,154	22,544,607	1,281,406,761	1,360,373,707	46,351,493	1,406,625,200
Capital Outlay	94,623,086	60,324,019	154,947,055	77,542,991	—55,678,262	21,864,659	9,987,000	5,567,186	15,344,186
TOTALS, BUDGET ACT AUTHORIZATIONS	\$2,378,468,813	\$315,929,876	\$2,694,398,689	\$2,633,622,600	\$235,151,939	\$2,868,774,539	\$2,674,743,905	\$330,205,118	\$3,004,949,023
TOTALS, EXPENDITURES	\$4,456,082,054	\$1,518,839,253	\$5,974,921,307	\$4,890,495,748	\$1,402,957,920	\$6,293,453,668	\$4,875,436,284	\$1,494,655,390	\$6,370,091,674

¹ These are Constitutional and Statutory Authorizations which are appropriated as Budget Act items.

² \$224,100,000 of this amount is statutory authorization which is appropriated as a Budget Act item.

**Schedule 9—EXPENDITURES FOR THE 1969-70 AND 1970-71 FISCAL YEARS
RECONCILIATION OF THE CHANGES FROM THE PREVIOUS BUDGET ESTIMATES**

1969-70 Fiscal Year				1970-71 Fiscal Year								
1970-71 Governor's Budget Estimated Expenditures	Savings	1971-72 Governor's Budget Actual Expenditures	1970-71 Governor's Budget as Submitted	Effect of Legislative Action	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriations	Continuing Appropriation Augmentation	Estimated Savings (-)	Current Year Balance Forward Adjustments	Reestimated 1970-71 Expenditures
GENERAL FUND												
STATE OPERATIONS												
General Government:												
Legislative	\$89,202	\$27,766,471	\$26,190,263	\$1,186,101	\$101,370		\$92,793			\$-141		\$27,570,476
Judicial	-166,774	7,957,431	8,021,922	176,506	1,906		297,402					8,497,736
Executive	-76,626	3,936,070	4,537,218	-312,919	11,541		112,098			-23,559		4,324,379
General Administration	-3,951,633	68,316,945	71,269,480	-218,760	45,541		3,096,298			-172,719		74,019,840
Miscellaneous	-9,086	1,933,193	2,016,874	20,000			544,503					2,581,377
Debt Service	-1,762,698	85,181,877	98,388,396						\$5,700,665	-4,000,000		100,089,061
Unallocated	-787,657	157,359	61,126,911	-18,570,920			-44,413,509	\$4,175,000		-1,662,209		655,273
Totals, General Government	\$-6,685,272	\$195,240,946	\$271,551,064	\$-17,719,902	\$160,358		\$-40,270,415	\$4,175,000	\$5,700,665	\$-5,858,628		\$217,738,142
Agriculture and Services	\$-1,598,705	\$54,070,165	\$55,929,493	\$-1,643,026	\$16,498		\$2,234,628			\$-851,302		\$55,686,291
Business and Transportation	-2,622,345	14,965,988	17,059,350	37,844	1,503,212		647,074			-64,234		19,183,246
Resources*	-3,541,551	81,118,757	81,211,106	-2,251,042	166,000		6,200,668			-130,000	\$-39,500	85,469,630
Human Relations	-10,352,483	332,572,793	338,138,321	2,142,244	-875,676		13,687,216			-653,468	-318,465	359,897,432
Education:												
Higher Education	-621,461	19,372,787	18,621,325	-241,047	71,511		714,494		\$169,590	-147,653		19,188,220
Credits to General Fund for services charged to agencies supported from Special Funds	-2,312,762	-12,612,762	-10,500,000		31,398		11,547,697			-157,451		668,063,247
Estimated Unidentified Savings	7,500,000		-6,000,000							-1,300,000		-11,800,000
Totals, State Operations*	\$-24,671,574	\$1,315,000,916	\$1,433,078,545	\$-30,101,212	\$1,073,301	\$8,089,658	\$-5,238,638	\$4,175,000	\$5,870,255	\$-26,162,736	\$-357,065	\$1,390,426,208
LOCAL ASSISTANCE												
General Government:												
Judicial	\$374,325	\$12,069,571	\$11,466,773				\$951,037			\$-189,928		\$12,227,882
General Administration		775,000	775,000									775,000
Miscellaneous	-4,220,339	162,709	2,381,587		\$1,218,878					-1,500,000		1,400,465
Property Tax Relief	-2,225,688	242,387,169	319,642,857	\$-1,000,000						-3,114,286		320,228,571
Shared Revenues	-62,726	142,274	205,000	875,000								1,080,000
Totals, General Government	\$-6,134,428	\$255,516,723	\$324,471,217	\$-125,000	\$1,218,878		\$951,037	\$4,700,000		\$-4,804,214	\$-700,000	\$335,711,918
Agriculture and Services	\$-615	\$171,431	\$172,046									\$172,046
Business and Transportation	-37,000	354,000	236,921		\$37,000							273,921
Resources	-6,465,966	3,476,910	2,151,000		2,375,683					\$-12,785		4,201,500
Human Relations	370,978	1,159,377,969	1,324,541,129	\$28,868,125	788,325		\$1,274,924		\$61,813,700	-605,903		1,416,903,040
Education	-37,437,616	1,627,561,069	1,655,638,292	35,065,287	344,540		12,457		-2,250,000	-18,546,382		1,665,264,194
Totals, Local Assistance	\$-49,704,646	\$3,046,458,102	\$3,317,210,605	\$63,808,412	\$4,764,426	\$-8,089,658	\$5,238,418	\$4,700,000	\$59,563,700	\$-23,969,284	\$-700,000	\$3,422,526,619
Totals, Capital Outlay	\$-86,828,335	\$94,623,036	\$47,715,901	\$-40,442,678	\$114,461,340		\$220			\$-34,493,646	\$-9,698,216	\$77,542,921
TOTALS, GENERAL FUND*	\$-161,204,655	\$4,456,082,054	\$4,798,005,051	\$-6,735,478	\$120,299,067			\$8,875,000	\$85,438,955	\$-84,625,666	\$-10,756,181	\$4,890,495,748

* Includes Clarke-McNary data in expenditures.

**Schedule 9—EXPENDITURES FOR THE 1969-70 AND 1970-71 FISCAL YEARS
RECONCILIATION OF THE CHANGES FROM THE PREVIOUS BUDGET ESTIMATES—Continued**

	1969-70 Fiscal Year				1970-71 Fiscal Year								
	1970-71 Governor's Budget Estimated Expenditures	Savings	1971-72 Governor's Budget Actual Expenditures	1970-71 Governor's Budget as Submitted	Effect of Legislative Action	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriations	Continuing Appropriation Augmentation	Estimated Savings	Current Year Balance Forward Adjustments	Reestimated 1970-71 Fiscal Year Expenditures
SPECIAL FUNDS													
STATE OPERATIONS													
General Government:													
Legislative.....	\$-281,808	\$-2,981,821	\$-3,263,629	\$600,000		\$2,981,819							\$2,195,265
Judicial.....	10,115		10,115	11,856								\$-1,386,554	11,856
Executive.....	107,987	-841	107,146	110,000				\$2,200					112,200
General Administration.....	11,427,708	-802,305	10,625,403	11,482,349	\$878			404,018					11,887,245
Miscellaneous.....	376,753	-16,833	359,920	363,351				32,476			\$-6,631		389,196
Unallocated.....	43,002	-1,738	41,264	21,017,302	16,464			-10,475,865			-10,524,135		33,766
Totals, General Government.....	\$11,683,787	\$-3,803,538	\$7,880,249	\$33,584,858	\$17,342	\$2,981,819		\$-10,037,171			\$-10,530,766	\$-1,386,554	\$14,629,528
Agriculture and Services.....	\$28,474,150	\$-1,566,573	\$26,907,577	\$28,347,634	\$1,391,420	\$115,177		\$1,531,373			\$-953,045		\$30,432,559
Business and Transportation.....	298,864,628	-7,359,027	291,505,601	302,446,701	2,755,877	867,793		7,700,724		\$9,837,220	-1,100,756	\$-67,840	322,439,719
Resources.....	19,008,652	-599,896	18,408,756	19,760,467	10,489,413	10,601		671,865			-20,000	-5,115,601	25,796,745
Human Relations.....	844,218	-141,779	702,439	711,659				133,209			-93,435		751,433
Education.....					37,000								37,000
Higher Education *.....	233,200	-7,273	225,927	233,200	850,000								1,083,200
Totals, State Operations.....	\$359,108,635	\$-13,478,086	\$345,630,549	\$385,084,519	\$15,541,052	\$3,975,390				\$9,837,220	\$-12,698,002	\$-6,569,995	\$395,170,184
LOCAL ASSISTANCE													
General Government:													
General Administration.....	\$4,927,400	\$-1,227,400	\$3,700,000	\$5,168,770									\$5,168,770
Miscellaneous.....	7,925,000	-289,102	7,635,898	6,883,000									3,562,707
Property Tax Relief.....	8,875,034	5,163,280	14,038,314	-9,758,312	\$151,863	\$-1,815,542					\$6,375,502	\$-1,953,614	-3,382,810
Shared Revenues.....	597,722,704	-3,518,545	594,204,159	625,322,547						\$15,458,630	-3,625,000		637,156,177
Totals, General Government.....	\$619,450,138	\$128,233	\$619,578,371	\$627,616,005	\$451,863	\$-1,815,542				\$15,458,630	\$2,750,502	\$-1,953,614	\$612,504,844
Agriculture and Services.....	\$3,148,900	\$-174,452	\$2,974,448	\$2,533,300	\$1,250,000	\$127,000				\$292,200	\$-175,000		\$1,027,500
Business and Transportation.....	24,859,180	-3,150,719	21,708,461	22,501,513		743,044				5,996,667	-66,762	\$-1,041,923	28,132,539
Resources.....	3,792,197	-1,224	3,790,973	3,788,647									3,788,647
Human Relations.....		-67,517	-67,517										
Education.....	3,076,000	-220,991	2,855,009	3,075,000	16,400,000					1,501,408			20,976,408
Totals, Local Assistance.....	\$654,326,415	\$-3,486,700	\$650,839,715	\$659,514,465	\$18,101,863	\$-948,498				\$23,248,905	\$2,508,740	\$-2,995,537	\$699,429,938
Totals, Capital Outlay.....	\$440,128,858	\$82,240,131	\$522,368,989	\$307,505,190	\$-14,864,184	\$-39,235,115		\$217,963		\$77,110,518	\$-21,567,184	\$-809,390	\$308,357,798
TOTALS, SPECIAL FUNDS.....	\$1,453,563,908	\$65,275,345	\$1,518,839,253	\$1,352,104,174	\$18,778,731	\$-36,208,223		\$217,963		\$110,196,643	\$-31,756,446	\$-10,374,922	\$1,402,957,920

* Refer to the "Extension Program Revenue Fund" on page 411 of the 1970-71 General Budget which has been administratively processed in the 1971-72 General Budget as a nongovernmental cost fund.

Total as printed on page A-3, 1970-71 General Budget..... **\$1,457,183,769**

Schedule 10

STATEMENT OF BONDED DEBT OF THE STATE OF CALIFORNIA AS OF JANUARY 4, 1971

(This statement does not include bonds issued under authority of state instrumentalities which are not general obligations of the State of California.)

Name of Issue	Percent Rate of Interest	Maturity	Authorized	Unsold	Redemptions	Outstanding
GENERAL OBLIGATION BONDS						
GENERAL FUND BONDS						
State Construction Program Bond Act of 1955 -----	3¼-5	1959-1985	\$200,000,000	—	\$74,000,000	\$126,000,000
State Construction Program Bond Act of 1958 -----	½-5	1962-1989	200,000,000	—	53,600,000	146,400,000
State Construction Program Bond Act of 1962 -----	½-5	1965-1991	270,000,000	—	42,600,000	227,400,000
State Construction Program Bond Act of 1964 -----	3¼-6½	1967-1990	380,000,000	—	35,400,000	344,600,000
State Higher Education Construction Program Bond Act of 1966 -----	3½-7	1968-1993	230,000,000	—	11,390,000	218,610,000
Junior College Construction Bond Act of 1968 -----	3½-6½	1970-1990	65,000,000	\$30,000,000	600,000	34,400,000
State Beach, Park, Recreational and Historical Facilities Bond Act of 1964 -----	3¼-6½	1967-1990	150,000,000	45,000,000	9,700,000	95,300,000
Recreation and Fish and Wildlife Enhancement Bond Act of 1970 -----			60,000,000	60,000,000	—	—
California Clean Water Bond Act of 1970 -----			250,000,000	250,000,000	—	—
Subtotal General Fund Bonds -----			\$1,805,000,000	\$385,000,000	\$227,290,000	\$1,192,710,000
PARTIALLY SELF-LIQUIDATING BONDS ^b						
State School Building Act of 1949 -----	1-4½	1952-1978	\$250,000,000	—	\$169,100,000	\$80,900,000
State School Building Act of 1952 -----	¼-5	1955-1990	185,000,000	—	89,300,000	95,700,000
State School Building Act of 1954 -----	3¼-5	1959-1984	100,000,000	—	42,100,000	57,900,000
State School Building Act of 1956 -----	1-5	1960-1985	100,000,000	—	36,000,000	64,000,000
State School Building Act of 1958 -----	3-5	1961-1987	220,000,000	—	65,000,000	155,000,000
State School Building Act of 1960 -----	¼-5	1963-1990	300,000,000	—	67,800,000	232,200,000
State School Building Act of 1962 -----	½-5	1966-1991	200,000,000	—	28,800,000	171,200,000
State School Building Act of 1964 -----	3-5	1967-1994	260,000,000	—	19,400,000	240,600,000
State School Building Act of 1966 -----	5-7	1970-1990	275,000,000	\$144,900,000	785,000	129,315,000
Totals, Partial Self-Liquidating Bonds -----			\$1,890,000,000	\$144,900,000	\$518,285,000	\$1,226,815,000
Totals, General Fund Bonds -----			\$3,695,000,000	\$529,900,000	\$745,575,000	\$2,419,525,000
SELF-LIQUIDATING BONDS ^c						
California Water Resources Development Bond Act of 1959 -----	½-5	1975-2018	\$1,750,000,000	\$600,000,000 ^a	—	\$1,150,000,000
HARBOR BONDS						
San Francisco Harbor Improvement, 1909 ^d -----	4	1951-1985	\$9,000,000	—	\$7,294,000	\$1,706,000
San Francisco Harbor Improvement, 1913 ^e -----	4	1955-1989	10,000,000	\$550,000	6,915,000	2,535,000
San Francisco Harbor Improvement, 1929 ^f -----	1½-3¼	1952-1983	10,000,000	—	6,585,000	3,415,000
India Basin of 1909 -----	4	1941-1985	1,000,000	147,000	668,000	185,000
Harbor Development of 1958 ^g -----	1-6	1964-1998	60,000,000	—	9,843,900	50,156,100
Totals, Harbor Bonds -----			\$90,000,000	\$697,000	\$31,305,900	\$57,997,100
VETERANS FARM AND HOME BUILDING BONDS						
Veterans Act of 1946 -----	2-2½	1949-1971	\$100,000,000	—	\$98,600,000	\$1,400,000
Veterans Act of 1949 -----	1½-4	1952-1972	100,000,000	—	91,550,000	8,450,000
Veterans Act of 1951 -----	1¾-2½	1954-1975	150,000,000	—	118,250,000	31,750,000
Veterans Act of 1954 -----	¼-5	1957-1977	175,000,000	—	110,400,000	64,600,000
Veterans Act of 1956 -----	1-5	1958-1984	500,000,000	—	218,100,000	281,900,000
Veterans Act of 1958 -----	3¼-5	1961-1986	300,000,000	—	84,300,000	215,700,000
Veterans Act of 1960 -----	½-5	1962-1989	400,000,000	—	90,000,000	310,000,000
Veterans Act of 1962 -----	3-5	1966-1988	250,000,000	—	33,900,000	216,100,000
Veterans Act of 1968 -----	3½-6½	1971-1991	200,000,000	\$100,000,000	—	100,000,000
Totals, Veterans Farm and Home Building Bonds -----			\$2,175,000,000	\$100,000,000	\$845,100,000	\$1,229,900,000
TOTALS, SELF-LIQUIDATING BONDS -----			\$4,015,000,000	\$700,697,000	\$876,405,900	\$2,437,897,100
TOTALS, ALL GENERAL OBLIGATION BONDS -----			\$7,710,000,000	\$1,230,597,000	\$1,621,980,900	\$4,857,422,100

^a \$200,000,000 in bond anticipation notes were sold 6-1-70 subject to redemption 6-1-71 at an effective interest rate of 5.8298 percent.

^b The school districts of the State of California pay a part of the debt service for the state school building bond issues.

^c The revenues derived from the California Water Resources Development Bond Fund, the San Francisco Harbor Improvement Fund, the Small Craft Harbor Improvement Fund, and the Farm and Home Building Fund of 1943 finance the debt service costs that are paid from the General Fund.

^d Callable on and after July 1, 1951, by lot.

^e Callable on and after July 2, 1955, by lot.

^f Callable on and after January 1, 1941, by lot.

^g San Francisco Harbor services the debt service pertaining to the authorizations for \$50,000,000 in bonds, and the small craft harbors service the debt service pertaining to \$10,000,000 authorizations provided by Chapter 103, Statutes of 1958, First Extraordinary Session.

Schedule 11—Capital Outlay—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Organization Unit	Page reference	Actual 1969-70				Estimated 1970-71				Estimated 1971-72			
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹
STATE BUILDING PROGRAM—Continued													
RESOURCES^{1a}													
Air Resources Board.....	293		\$182,639	\$182,639			\$1,592,419						
Department of Conservation.....	322	\$1,103,141		1,103,141	\$80,793	\$575,630	575,630						
State Lands Division.....	341					50,000	50,000						
Department of Water Resources.....	529	130,113		130,113		80,000	80,000						
Totals, Resources.....		\$1,233,254	\$182,639	\$1,415,893	\$80,793	\$705,630	\$1,592,419	\$2,298,049					
HUMAN RELATIONS^{1a}													
Department of Corrections:													
California Conservation Center.....	68	\$51,122		\$51,122		\$7,409		\$7,409					
Correctional Institution at Tehachapi.....	69	41,928		41,928									
Correctional Training Facility.....	70	8,593		8,593									
Deuel Vocational Institution.....	71	32,262		32,262		2,000		2,000					
State Prison at Folsom.....	72	46,206		46,206									
Institution for Men.....	72	23,669		23,669		18,000		18,000					
Medical Facility.....	74	17,011		17,011		2,380		2,380					
Men's Colony.....	74	28		28		3,949		3,949					
State Prison at San Quentin.....	75	255,886		255,886		1,500		1,500	\$250,400				
Institution for Women.....	76	18,920		18,920									
Rehabilitation Center.....	77					18,012		18,012					
Totals, Department of Corrections.....		\$495,625		\$495,625		\$53,250		\$53,250	\$250,400				
Department of the Youth Authority:													
Departmental Administration.....	166	\$266,589		\$266,589		\$80,035		\$80,035		\$150,000		\$150,000	
Northern California Reception Center and Clinic.....	167												
Fred C. Nelles School for Boys.....	168	1,141		1,141									
Northern California Youth Center.....	169				\$2,371								
Southern California Youth Center.....	169	232,113		232,113		3,609		3,609					
Paso Robles School for Boys.....	170	233,870		233,870		14,915		14,915					
Preston School of Industry.....	171	198,442		198,442					\$412,715				
Los Gatos School for Girls.....	172	12,749		12,749									
Totals, Department of the Youth Authority.....		\$944,904		\$944,904	\$2,371	\$98,559		\$98,559	\$412,715	\$150,000		\$150,000	
Department of Human Resources Development:													
Department of Human Resources Development.....	250		\$-165,608	\$-165,608			\$-161,238	\$-161,238			\$-155,003	\$-155,003	
"Reed Act".....	250												
Department of Mental Hygiene.....	339	\$2,559,752		2,559,752		502,904		502,904	111,400				
Totals, Human Relations.....		\$4,000,281	\$-165,608	\$3,834,673	\$2,371	\$654,713	\$-161,238	\$493,475	\$774,515	\$150,000	\$-155,003	\$-5,003	
			(-400,415)	(-400,415)			(-391,254)	(-391,254)			(-387,370)	(-387,370)	

¹ From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

^{1a} Page references relate to appropriate volumes of the Budget Supplements.

^d From the Motor Vehicle Fund.

^e From the Department of Human Resources Development Contingent Fund.

^f From the Unemployment Trust Funds—not included in overall budget totals.

Schedule 11—Capital Outlay—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page reference	Organization Unit	Actual 1969-70				Estimated 1970-71				Estimated 1971-72			
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹
	STATE BUILDING PROGRAM—Continued												
	EDUCATION:^a												
	Department of Education:												
	Special Schools for the Physically Handicapped Children												
78	School for the Blind.....	\$15,200		\$15,200									
	Diagnostic School for Neurologically Handicapped Children, Northern California.....												
78						\$23,445		\$23,445					
79	School for the Deaf, Berkeley.....	39,159		39,159		220		220					
80	School for the Deaf, Riverside.....	39,837		39,837		79,700		79,700	\$85,000				
	Totals, Education.....	\$91,199		\$91,199		\$103,365		\$103,365	\$85,000				
141	Higher Education:												
	Augmentation for Higher Education—Capital Outlay.....	\$6,900,009	\$6,900,009			\$70,000,000	\$6,900,009			\$10,000,000	\$6,900,009		
212	University of California.....		\$29,767,753	29,767,753	—1,190,003								
			b(17,812,363)	(17,812,363)									
	State Colleges:												
434	Trustees of the California State Colleges.....		\$352,329	352,329	4,929,294								
434	State College, Bakersfield.....		\$3,434,830	3,434,830	63,521								
434	State College, Chico.....		\$1,811,517	1,811,517	7,898,497								
434	State College, Dominguez Hills.....		\$346,159	346,159	7,072,370								
434	State College, Fullerton.....		\$492,967	492,967	1,600,249								
434	State College, Hayward.....		\$1,282,478	1,282,478	443,763								
434	State College, Long Beach.....		\$308,291	308,291	2,344,532								
434	State College, Los Angeles.....		\$101,710	101,710	776,596								
435	State College, San Bernardino.....		\$3,602,511	3,602,511	—1,287,867								
435	State College, Sacramento.....		\$1,160,474	1,160,474	2,121,090								
435	State College, San Diego.....		\$2,533,982	2,533,982	—345,594								
435	State College, San Francisco.....		\$805,363	805,363	—757,843								
435	State College, San Jose.....		\$1,135,883	1,135,883	—46,419								
435	State College, San Luis Obispo.....		\$144,430	144,430	211,772								
435	State College, Stanislaus.....		\$4,015,530	4,015,530	2,136								
435	State College, Sonoma.....		\$191,357	191,357	3,036,954								
435	State College, Stanislaus.....		\$329,615	329,615	—75,723								
435	State College, Stanislaus.....		\$102,394	102,394	—382,789								
435	State Polytechnic College—Kings-Voorhis.....		\$1,319,563	1,319,563	—14,613								
435	State Polytechnic College—San Luis Obispo.....		\$378,211	378,211	—35,173								
	Totals, State Colleges.....		\$23,833,018	\$23,833,018	\$26,727,107	\$250,000							
			1(7,388,573)	(7,388,573)									

¹ From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

^{1a} Page references relate to appropriate volumes of the Budget Supplements.

^a From the Capital Outlay Fund for Public Higher Education.

^b From University Plant Funds and nonstate funds—not included in overall budget totals.

^c From Educational fees not included in overall budget totals.

^d From nonstate funds—not included in budget totals.

^e From State College Facility Revenue Fund—not included in overall budget totals.

Schedule 11—Capital Outlay—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page refer- ence	Organization Unit	Actual 1969-70				Estimated 1970-71				Estimated 1971-72					
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹		
STATE BUILDING PROGRAM—Continued															
EDUCATION—Continued															
614	Higher Education:—Continued	\$246,700		\$246,700		\$85,200		\$85,200	\$19,136,988					\$26,510,959	
642	Maritime Academy	26,914,886		26,914,886				¹ (\$5,111,458)						¹ (\$—16,000,000)	
	Community Colleges		¹ (\$19,307,550)	¹ (\$19,307,550)				^m (16,608,510)						^m (7,751,890)	
			^m (21,305,714)	^m (21,305,714)											
	Totals, Higher Education	\$33,161,586	\$47,600,771	\$80,762,357	\$27,956,429	\$70,335,200	\$—67,616,958	\$2,718,242	\$55,889,148	\$10,000,000	\$—10,000,000			\$26,510,959	
			(65,814,200)	(65,814,200)			(47,668,623)	(47,568,623)			(71,148,130)			(\$71,148,130)	
	Totals, Education	\$33,262,782	\$47,600,771	\$80,853,553	\$27,956,429	\$70,438,585	\$—67,616,958	\$2,821,607	\$55,974,148	\$10,000,000	\$—10,000,000			\$26,510,959	
			(65,814,200)	(65,814,200)			(47,668,623)	(47,568,623)			(71,148,130)			(\$71,148,130)	
	Totals, State Building Program	\$87,526,004	\$53,440,973	\$140,966,977	\$28,061,192	\$72,642,482	\$—55,104,761	\$17,537,721	\$59,282,697	\$10,150,000	\$2,932,899	\$13,082,599		\$28,010,959	
			² (65,453,093)	² (65,453,093)			² (47,187,369)	² (47,187,369)			² (70,770,760)			(70,770,760)	
332	DISTRICT FAIR CONSTRUCTION PROGRAM														
	Agriculture:														
	District Agricultural Associations	\$50,000	\$1,653,872	\$1,713,872		\$—300,000	\$2,627,857	\$2,327,857		\$—1,850,000	\$2,234,000	\$384,000			
STATE HIGHWAY PROGRAM															
Transportation:															
Department of Public Works:															
193	Division of Highways		\$459,856,694	\$459,856,694			\$360,658,203	\$360,658,203							
191	Division of Highways—Other Funds		^p (11,512,680)	^p (11,512,680)			^p (3,666,653)	(3,666,653)							
WILDLIFE CONSERVATION PROGRAM															
Resources:															
374	Department of Fish and Game		\$2,983,097	\$2,983,097			\$292,921	\$292,921				\$602,100		\$902,100	
392	Wildlife Conservation Board		² 2,562,520	2,562,520			² 1,066,500	—1,066,500						\$180,000	
392	Wildlife Conservation Board		⁵ 524,404	524,404			750,000	750,000				750,000			
	Totals, Wildlife Conservation Program		\$6,070,021	\$6,070,021	\$817,249		\$—23,579	\$—23,579	\$1,066,566			\$1,362,100	\$1,362,100	\$180,000	

¹ From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

² Bond funds and all amounts in parentheses are not included in overall budget totals.

³ From the State Beach, Park, Recreational and Historical Facilities Fund—not included in overall budget totals.

⁴ From the Recreation and Fish and Wildlife Enhancement Fund—not included in overall budget totals.

⁵ This amount was treated as an expenditure in the 1969-70 fiscal year when transferred from the General Fund to this Nongovernmental Cost Fund.

^m From Community College District Funds—not included in budget totals.

^p From the Fair and Exposition Fund.

^o From the State Highway Fund.

^q For State Highway purposes from other funds—not included in overall budget totals.

^r From the Fish and Game Preservation Fund.

^s From the Wildlife Restoration Fund.

Schedule 11—Capital Outlay—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page refer- ence	Organization Unit	Actual 1969-70				Estimated 1970-71				Estimated 1971-72			
		General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹	General Fund	Special Funds	Total	Bond Funds ¹
	PARKS AND RECREATION ACQUISITION AND DEVELOPMENT PROGRAM												
	Resources:												
	Department of Navigation and Ocean Development												
411	Department of Parks and Recreation:												
437	State Park and Recreation Commission		* (210,446)	(210,446)				(1,020,200)			* (155,000)	(155,000)	
436	State Park and Recreation Commission	\$4,955,680		\$4,955,680	\$5,293,156	\$3,965,439		\$3,965,439	\$27,373,133	\$100,000		\$100,000	\$18,354,844
437	State Park and Recreation Commission					78		78					
437	State Park and Recreation Commission					200,000		200,000					48,643,268
437	State Park and Recreation Commission												
437	State Park and Recreation Commission												
437	Totals, Parks and Recreation Acquisition and Development Program	\$4,955,680	(210,446)	\$4,955,680	\$5,293,156	\$3,965,439	\$200,078 (1,798,300)	\$4,165,517 (1,798,300)	\$27,373,133	\$100,000	(615,000)	\$100,000 (615,000)	\$26,998,112
	CALIFORNIA WATER FACILITIES PROGRAM												
	Resources:												
448	Reclamation Board Projects	\$881,442		\$881,442		\$115,000		\$115,000		\$1,587,000		\$1,587,000	
531	Department of Water Resources	1,209,910	* \$1,337,429	2,547,339		1,120,000		1,120,000					
531	Department of Water Resources				* \$133,860,136								
531	Department of Water Resources				* \$153,363,241								
	Totals, California Water Facilities Program	\$2,091,352	\$1,337,429	\$3,428,781	\$287,223,377	\$1,235,000		\$1,235,000	\$321,800,484	\$1,587,000		\$1,587,000	\$260,862,210
	TOTALS, CAPITAL OUTLAY	\$94,623,036	\$522,263,989	\$616,992,025	\$321,394,974	\$77,542,921	\$308,357,798	\$385,900,719	\$409,327,780	\$9,987,000	\$350,047,917	\$360,034,917	\$315,851,281
				(77,176,219)	(77,176,219)			(52,652,322)				(71,385,760)	

¹ From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

² Bond funds and all amounts in parentheses are not included in overall budget totals.

³ From the State Beach, Park, Recreational and Historical Facilities Fund—not included in overall budget totals.

⁴ From the Recreation and Fish and Wildlife Enhancement Fund—not included in overall budget totals.

⁵ From the Harbors and Watercraft Revolving Fund—not included in overall budget totals.

⁶ From the Motor Vehicle Transportation Tax Fund.

⁷ From the Highway Users Tax Fund.

⁸ From the Special Deposit Fund—not included in overall budget totals.

⁹ From the California Water Fund.

¹⁰ From the California Water Resources Development Bond Fund—not included in overall budget totals.

¹¹ From the Central Valley Water Project Construction Fund—not included in overall budget totals.

Schedule 12—Capital Outlay

COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID GRANTED TO THE STATE OF CALIFORNIA FOR THE FISCAL YEARS 1969-70, 1970-71, and 1971-72

Function				
STATE BUILDING PROGRAM				
General Government:		Actual	Estimated	Estimated
Military Affairs:	Page	1969-70	1970-71	1971-72
Construction of Armories -----	reference			
Facilities for maintenance and care of federal equipment ^a ----	214	\$11,124	-	-
	214	(226,011)	(\$225,000)	(\$1,857,000)
Education:				
University of California -----	212	\$4,087,221	\$8,242,000	\$14,356,000
State Colleges:				
Trustees of the California State Colleges -----	440	10,215,903	30,672,069	-
Community Colleges -----	642	4,842,196	157,804	-
Totals, Education -----		\$19,145,320	\$39,071,873	\$14,356,000
Totals, State Building Program -----		\$19,156,444	\$39,071,873	\$14,356,000
		(226,011)	(225,000)	(1,857,000)
STATE HIGHWAY PROGRAM				
Business and Transportation:				
Department of Public Works:				
Division of Highways -----	191	\$427,062,241	\$433,388,025	\$365,190,000
WILDLIFE CONSERVATION PROGRAM				
Resources:				
Wildlife Conservation Board:				
Federal Land and Water Conservation Act -----	393	\$784,929	-	-
PARKS AND RECREATION ACQUISITION AND DEVELOPMENT PROGRAM				
Resources:				
Department of Navigation and Ocean Development -----	412	-	\$208,259	-
CALIFORNIA WATER FACILITIES PROGRAM				
Resources:				
Department of Water Resources:				
Federal Share of Operation and Maintenance -----	533	\$1,397,932	\$1,548,317	\$1,581,500
Federal Flood Control Contributions -----	533	\$1,922,479	\$2,518,477	\$176,000
Totals, California Water Facilities Program -----		\$3,320,411	\$4,066,794	\$1,757,500
TOTALS, CAPITAL OUTLAY (Federal funds) ^b -----		\$450,324,025	\$476,734,951	\$381,303,500
		(226,011)	(225,000)	(1,857,000)

^a Federal funds not reported in detail budget schedules and not summarized in the Reconciliation with Appropriations.

^b Federal funds are not included in overall budget totals.

Schedule 13—Capital Outlay

SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1971-72

	Proposed Budget Act of 1971			Statutory Authorization Special Funds	Prior Year Appropriations, Continuing Appropriations and Reappropriations				Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total		General Fund	Special Funds	Total	Bond Fund ¹		
STATE BUILDING PROGRAM										
General Government:										
Unallocated:										
Project Planning.....										
Increased Cost of Construction:										
(Prior Bond Issues)										
(1966 and Subsequent Bond Issues)										
Business and Transportation:										
Department of California Highway Patrol.....										
Department of Motor Vehicles.....										
Human Relations:										
Department of the Youth Authority.....										
Department of Human Resources Development.....										
Department of Human Resources Development—"Reed Act"										
Higher Education:										
Augmentation for Higher Education Capital Outlay.....										
University of California.....										
Trustees of the California State Colleges.....										
Community Colleges.....										
TOTALS, STATE BUILDING PROGRAM.....										
DISTRICT FAIR CONSTRUCTION PROGRAM										
Agriculture:										
District Agricultural Associations.....										

¹ From State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

^{1a} This amount was treated as an expenditure in the 1969-70 fiscal year when transferred to this Nongovernmental Cost Fund.

^a From Harbors and Watercraft Revolving Fund—not included in overall budget totals.

^b From Motor Vehicle Fund.

^c From Department of Human Resources Development Contingent Fund.

^d From Unemployment Trust Fund (Reed Act)—not included in overall budget totals.

^e From Capital Outlay Fund for Public Higher Education.

^f From University Educational Fees—not included in overall budget totals.

^g From State College Facility Revenue Fund—not included in overall budget totals.

^h From State Fair and Exposition Fund.

Schedule 13—Capital Outlay

SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1971-72—Continued

	Proposed Budget Act of 1971			Statutory Authorization Special Funds	Prior Year Appropriations, Continuing Appropriations and Reappropriations				Governmental Cost Funds Total
	General Fund	Special Funds	Total		General Fund	Special Funds	Total	Bond Fund ¹	
STATE HIGHWAY PROGRAM									
Transportation Agency:									
Department of Public Works:									
Division of Highways:									343,529,218
WILDLIFE CONSERVATION PROGRAM									
Resources:									
Department of Fish and Game:									
Wildlife Conservation Board:		1410,000	410,000			1192,100	192,100		602,100
									930,000
PARKS AND RECREATION ACQUISITION AND DEVELOPMENT PROGRAM									
Resources:									
Department of Navigation and Ocean Development:			(155,000)						
Department of Parks and Recreation:									
State Park and Recreation Commission:	100,000		100,000						100,000
State Park and Recreation Commission:									18,354,844
State Park and Recreation Commission:									8,643,298
State Park and Recreation Commission:									
State Park and Recreation Commission:			(460,000)						
CALIFORNIA WATER FACILITIES PROGRAM									
Resources:									
Reclamation Board:									
Department of Water Resources:	1,587,000		1,587,000						1,587,000
Department of Water Resources:									177,428,569
Department of Water Resources:									83,233,041
GRAND TOTALS, CAPITAL OUTLAY:	\$87,000	\$15,320,039 (37,377,300)	\$15,407,039 (37,377,300)	\$53,689,071	\$9,900,000	\$-0,962,903 (-16,387,370)	\$-02,903 (-16,387,370)	\$202,162,210	\$360,034,917
General Fund:									
Special Funds:	\$87,000	\$15,320,039			\$9,900,000	\$-9,962,903			\$9,987,000
State Construction Program Fund:									\$50,017,917
State Beach, Park, Recreational and Historical Facilities Fund:									\$8,010,959
Central Valley Water Project Construction Fund:									18,354,844
California Water Resources Development Bond Fund:									83,233,641
Recreation and Fish and Wildlife Enhancement Fund:									177,428,569
									8,823,268

¹ From State Construction Program Fund unless otherwise indicated—not included in overall budget totals.² From Harbors and Watercraft Revolving Fund—not included in overall budget totals.³ From State Highway Fund.⁴ From Fish and Game Preservation Fund.⁵ From Recreation and Fish and Wildlife Enhancement Fund—not included in overall budget totals.⁶ From Wildlife Restoration Fund.⁷ From State Beach, Park, Recreational and Historical Facilities Fund—not included in overall budget totals.⁸ From the Special Deposit Fund—not included in overall budget totals.⁹ From California Water Resources Development Bond Fund—not included in overall budget totals.¹⁰ From Central Valley Water Project Construction Fund—not included in overall budget totals.

Schedule 14—Capital Outlay

COMPARATIVE STATEMENT OF EXPENDITURES AUTHORIZED BY THE BUDGET ACT AND EXPENDITURES REQUIRED BY THE CONSTITUTION OR OTHER STATUTES FOR THE FISCAL YEARS 1969-70, 1970-71 AND 1971-72

Purpose and Legal Citation	Actual 1969-70			Estimated 1970-71			Estimated 1971-72		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATUTORY AUTHORIZATIONS									
AUTHORIZED BY STATUTES:									
DISTRICT FAIR CONSTRUCTION PROGRAM									
Agriculture:									
District Agricultural Associations									
Section 19630, Business and Professions Code and Section 4002, Agricultural Code		\$1,663,872	\$1,663,872		\$2,627,857	\$2,627,857		\$411,563	\$411,563
STATE HIGHWAY PROGRAM									
Business and Transportation:									
Division of Highways									
Section 183, Streets and Highways Code		459,856,694	459,856,694		360,658,203	360,658,203		343,529,218	343,529,218
WILDLIFE CONSERVATION PROGRAM									
Resources:									
Wildlife Conservation Board									
Section 1352, Fish and Game Code		524,404	524,404		750,000	750,000		750,000	750,000
TOTALS, STATUTORY AUTHORIZATIONS		\$462,044,970	\$462,044,970		\$364,036,060	\$364,036,060		\$344,690,781	\$344,690,781
BUDGET ACT AUTHORIZATIONS									
Expenditures from appropriations and authorizations which are subject to legislative or executive determinations, including Budget Act appropriations, special appropriations, balances available in prior year appropriations made available for expenditure for more than one fiscal year, and deficiency authorizations.									
TOTALS, BUDGET ACT AUTHORIZATIONS	\$94,623,036	\$60,324,019	\$154,947,055	\$77,542,921	\$55,678,262	\$21,864,659	\$9,987,000	\$5,357,136	\$15,344,136
TOTALS, CAPITAL OUTLAY	\$94,623,036	\$522,368,989	\$616,992,025	\$77,542,921	\$308,357,798	\$385,900,719	\$9,987,000	\$350,047,917	\$360,034,917

Schedule 15—CAPITAL OUTLAY (Financed By The General Fund and Special Funds)
EXPENDITURES FOR THE 1969-70 AND 1970-71 FISCAL YEARS—RECONCILIATION OF THE CHANGES FROM PREVIOUS BUDGET ESTIMATES

	1969-70 Fiscal Year			1970-71 Fiscal Year							Current Year Balance Forward Adjustments	Reestimated Expenditures 1970-71 Fiscal Year
	1970-71 Governor's Budget Estimated Expenditures	Savings	1971-72 Governor's Budget Actual	1970-71 Governor's Budget as Submitted	Effect of Legislative Action	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriation	Continuing Appropriation Augmentation	Estimated Savings	
GENERAL FUND												
General Government:												
Executive.....	\$293,700	\$-166,109	\$127,591	\$35,000	\$-35,000	\$165,000						\$165,000
Unallocated.....	23,464,322	23,877,880	47,342,202	700,000	-125,000	1,272,956		\$-19,665			\$-2,055,075	75,000
Totals, General Government.....	\$23,758,022	\$23,711,771	\$47,469,793	\$735,000	\$-160,000	\$1,437,956		\$-19,665			\$-2,055,075	\$240,000
Agriculture and Services.....	\$2,667,942	\$-1,045,048	\$1,619,894	\$1,503,545	\$-651,845	\$1,182,019					\$-1,730,145	\$303,574
Resources.....	14,268,747	-6,888,461	8,280,286	5,967,500	-1,524,922	7,907,715		\$4,750			-6,448,974	5,906,069
Human Relations.....	4,261,159	-260,878	4,000,281	5,205,420	-4,128,875	747,850		15,135			-1,081,452	758,078
Education.....	148,115	-56,919	91,196									
Higher Education.....	136,347,386	-103,185,800	33,161,586	34,304,436	-33,977,036	103,185,800					-23,178,000	70,335,200
Totals, Capital Outlay (General Fund).....	\$181,451,371	\$-86,823,335	\$94,623,036	\$47,715,901	\$-40,442,678	\$114,461,340		\$220			\$-34,493,646	\$77,542,921
SPECIAL FUNDS												
Agriculture and Services.....	\$3,196,356	\$-1,519,984	\$1,676,372	\$1,479,200		\$1,281,157						\$2,640,357
Business and Transportation.....	448,055,375	17,611,990	465,667,365	289,212,244	\$-289,730	6,361,211					\$-271,439	371,726,719
Resources.....	7,443,915	146,174	7,590,089	290,127	200,000	2,321,386				\$77,110,518	-749,290	1,768,918
Human Relations.....	-163,587	-2,021	-165,608	-161,945		707						-161,238
Higher Education.....	-18,403,201	66,003,972	47,600,771	16,685,564	-14,774,454	-49,198,576		\$217,963			-20,546,455	-67,616,958
Totals, Capital Outlay (Special Funds).....	\$440,128,858	\$82,240,131	\$522,368,989	\$307,506,190	\$-14,864,184	\$-39,235,115		\$217,963		\$77,110,518	\$-21,567,184	\$308,357,798
Total Capital Outlay (General and Special Funds).....	\$621,580,229	\$-4,588,204	\$610,992,025	\$355,221,091	\$-55,306,862	\$75,226,225		\$218,183		\$77,110,518	\$-56,060,830	\$385,900,719



